

Mining, Resettlement and Lost Livelihoods: Listening to the Voices of Resettled Communities in Mualadzi, Mozambique

Researchers: Serena Lillywhite*, Deanna Kemp and Kathryn Sturman
School/Centre: Centre for Social Responsibility in Mining
University/Institutions: *Oxfam
Sustainable Minerals Institute
The University of Queensland

Key themes: Community and Environmental Sustainability
Key countries: Mozambique
Completion: April 2015

Research aims:

This study had three aims:

- Understand people's experiences – especially women's – of mining-induced displacement and resettlement in Tete province, Mozambique
- Support people from affected communities and local civil society organisations to conduct research and engage with mining companies and government
- Generate a more active dialogue about mining and resettlement among key actors to improve policy and practice

For further information on this action research:

Contacts:

Serena Lillywhite serenal@oxfam.org.au
Deanna Kemp d.kemp@smi.uq.edu.au

IM4DC Action Research Report



Summary of Action Research Activity

Mining, resettlement and lost livelihoods: listening to the voices of resettled communities in Mualadzi, Mozambique

Involuntary resettlement is a deeply complex and disruptive process, with potential to place vulnerable populations at great risk. This report presents experiences of involuntary resettlement from the perspective of individuals, households and groups who are recovering from mining-induced displacement in Tete province, Mozambique. It describes the context within which mining and resettlement is taking place; a setting characterised by poverty, rapid economic growth, limited regulatory capacity and intense pressure on land availability. In this sense, the study situates a particular set of experiences within a broader historical, political and economic environment. Voices from the Mualadzi community highlight the precarious situation that project-affected people face and will continue to face in Mozambique unless major structural change occurs.

The context for this study is the Benga coal mine, and the planned resettlement of 736 households (approximately 3,680 people). The resettlement process has so far involved three companies through two acquisitions over a period of five years. People who were involuntarily resettled to make way for the mine have been significantly disadvantaged. Resettled people had no choice but to move from the fertile banks of the Revuboe River at Capanga, to a remote location determined by the government at Mualadzi, with poor quality soil and an insecure supply of water for personal and agricultural use. The move has also resulted in other significant social and economic disadvantages. This study focuses on the largest phase of the Benga mine resettlement and approximately 18 months post-relocation. Voices from the Mualadzi community provide insight into factors that contribute to resettlement practice falling short of accepted global standards.

The study employed a qualitative research design using multiple methods and sources. The study was designed to capture stories, perspectives and lived experiences of some of the most marginalised and vulnerable people in the community, and to ensure that the voices of women and youth were included. The primary research tool was key informant interviews with resettled people to emphasise their “voice”. The study team completed 21 in-depth individual interviews and four group discussions with 37 people during a field visit to the Mualadzi resettlement community. Selection criteria ensured that a diversity of resettled people were able to participate. Desktop research and a series of background and supplementary interviews provided additional information.

Future considerations are outlined and a series of recommendations are provided to the mining companies and governments involved.



MINING, RESETTLEMENT AND LOST LIVELIHOODS

LISTENING TO THE VOICES OF RESETTLED
COMMUNITIES IN MUALADZI, MOZAMBIQUE



SMICSRM
Centre for Social
Responsibility in Mining



OXFAM

AUTHORS:

Serena Lillywhite, Mining Advocacy Advisor, Oxfam
Assoc. Prof. Deanna Kemp, Deputy Director, Centre for Social Responsibility in Mining (CSRM)
Dr Kathryn Sturman, Senior Research Fellow, CSRM

RECOMMENDED CITATION

Lillywhite, S., Kemp, D. and Sturman, K., (2015). *Mining, resettlement and lost livelihoods: Listening to the Voices of Resettled Communities in Mualadzi, Mozambique*. Oxfam: Melbourne.

EDITOR:

Melanie Scaife

DESIGNERS:

Matt Peterson and Meabh Friel (Oxfam)

PARTNERS:

The authors would like to thank the Mozambique partners, the Association for Community Legal Assistance and Support to Communities, and the Tete Provincial Farmers Union. Rui Caetano de Vasconcelos and Dorica Amosse Nota were instrumental in the success of this research.



Published April 2015

STUDY TEAM

- Serena Lillywhite, *Oxfam*
- Dorica Amosse Nota, *Tete Provincial Farmers Union*
- Estivine Freitas, *Tete Provincial Farmers Union*
- Rui Caetano de Vasconcelos, *Association for Legal Assistance and Support to Communities*
- Armando Quembo, *Association for Legal Assistance and Support to Communities*
- Sylvie Desautels, *Independent Adviser*
- Helder Paulo, *Oxfam*
- Felix Delhomme, *formerly CSRM*
- Dr Kathryn Sturman, *CSRM*
- Christina Hill, *Oxfam*
- Gonçalo Xavier (*Interpreter*)
- Associate Professor Deanna Kemp, *CSRM*

ACKNOWLEDGEMENTS:

The authors would like to thank a number of their colleagues who assisted in this project. In particular, Christina Hill (Oxfam) who was involved in the study design, the context analysis and helped ensure gender was included. Christina also assisted with a final proof. Thanks to Chris Madden (Oxfam) for assistance with the Portuguese translation. Thanks also to Maureen Bathgate (Oxfam) for her oversight of the editing process and to the Research Analysts at the Centre for Social Responsibility in Mining (CSRM), particularly Fitsum Weldegiorgis. Finally, thanks to Professor David Brereton at the Sustainable Minerals Institute, and representing the International Mining for Development Centre (IM4DC), for his research counsel and rigour.

FUNDERS:

The development of this report and associated research was supported by the International Mining for Development Centre (IM4DC), funded by the Australian Department of Foreign Affairs and Trade (DFAT) implemented by the University of Queensland and the University of Western Australia.



Front cover photo: Photo: Abbie Trayler-Smith/OxfamAUS.

CONTENTS

1	EXECUTIVE SUMMARY	1
1	INTRODUCTION	1
1.1	Funding	2
1.2	Study aims and approach	3
1.3	Report structure	4
2	BACKGROUND TO THE STUDY	4
2.1	History of human migration and displacement	4
2.2	Human development in Mozambique	5
2.3	Contemporary political climate	5
2.4	Legal framework for resettlement in the context of mining.....	6
2.5	Resettlement at the Benga mine	7
3	STUDY DESIGN	12
3.1	Local partner involvement	12
3.2	Desktop research	12
3.3	Interviews	13
3.4	Challenges in the field	14
4	VOICES OF THE MUALADZI COMMUNITY: PERSPECTIVES FROM RESETTLED PEOPLE	15
4.1	Water and food insecurity	15
4.2	Loss of economic opportunities	18
4.3	Costs carried by resettled families	19
4.4	Fracturing of community	19
4.5	Uncertainty and limited access to information	21
4.6	Deficiencies in remedy processes	22
4.7	Lack of trust between stakeholders	22
4.8	Recovery in a low capacity environment	23
5	IMPLICATIONS	24
5.1	Situation summary	24
5.2	Planning failures	24
5.3	Systemic issues	26
5.4	Future considerations	26
6	RECOMMENDATIONS	27
7	ABOUT THE STUDY TEAM	30

A note on spelling

There are different spelling conventions for Mualadzi. The resettlement site is named after the seasonal river that runs through the village. The river's original name in Nyungue language is "Muarazi" and is used in the Resettlement Action Plan. This report uses the Portuguese adaptation "Mualadzi", which is used by the Mozambican Government in most other official documentation.

EXECUTIVE SUMMARY

Involuntary resettlement is a deeply complex and disruptive process, with potential to place vulnerable populations at great risk. This report presents experiences of involuntary resettlement from the perspective of individuals, households and groups who are recovering from mining-induced displacement in Tete province, Mozambique. It describes the context within which mining and resettlement is taking place — a setting characterised by poverty, rapid economic growth, limited regulatory capacity and intense pressure on land availability. In this sense, the study situates a particular set of experiences within a broader historical, political and economic environment. Voices from the Mualadzi community highlight the precarious situation that project-affected people face and will continue to face in Mozambique unless major structural change occurs.

The context for this study is the Benga coal mine, and the planned resettlement of 736 households (approximately 3,680 people). The sub-optimal outcomes associated with the Benga mine resettlement are compounded by the manner in which successive companies failed to adequately respond to social and human rights risks. The resettlement process has so far involved three companies through two acquisitions over a period of five years. The mine was originally developed by Australian mid-tier miner, Riversdale, with resettlement commencing in 2010. The mine was acquired by Rio Tinto in 2011. Three years after its acquisition of Riversdale, Rio Tinto announced that it would sell the Benga mine and other coal assets to Indian mining conglomerate, International Coal Ventures Limited (ICVL). Although it has yet to complete the planned resettlement process, ICVL has announced plans to expand and triple production over the next three years, which would inevitably involve further resettlement.

People who were involuntarily resettled to make way for the Benga mine have been significantly disadvantaged. Resettled people had no choice but to move from the fertile banks of the Revuboe River at Capanga, to Mualadzi, a remote location with poor quality soil and an insecure supply of water for personal and agricultural use. This harsh physical environment has put livelihoods at risk, with food security being an immediate challenge. Beyond physical hardship, Mualadzi's remoteness and poor transport infrastructure has reduced access to employment and other economic opportunities. This has further impeded people's ability to support themselves and their families. The stress and trauma associated with forced displacement, including emerging patterns of social fragmentation, are also significant concerns.

This study focuses on the largest phase of the Benga mine resettlement, when the mine was owned and managed by Rio Tinto. While the study is focused on people resettled during a particular phase of the resettlement process and approximately 18 months post-relocation, it nonetheless contributes to a broader dialogue about how to improve policy and practice in relation to involuntary resettlement and large-scale extractives projects. There is a growing body of evidence that despite efforts to set and apply performance standards, people who are displaced by mining

and large-scale development typically have their rights diminished and are exposed to long-term disadvantage. In short, most resettled people are worse off. Voices from the Mualadzi community provide insight into factors that contribute to resettlement practice falling short of accepted global standards.

STUDY AIMS AND APPROACH

This Oxfam and Centre for Social Responsibility in Mining (Oxfam-CSRMI) study has three aims:

1. Understand people's experiences — especially women's — of mining-induced displacement and resettlement in Tete province, Mozambique. The study focuses on capturing voices of resettled people who were moved to Mualadzi by Rio Tinto in 2013 and early 2014.
2. Support people from affected communities and local civil society organisations to conduct research and engage with mining companies and government, and ensure affected communities enjoy their rights. The study was undertaken in collaboration with two local organisations, the Tete Provincial Farmers Union and the Association for Judicial Assistance and Support to Communities.
3. Generate a more active dialogue about mining and resettlement among key actors to improve policy and practice. The report identifies actions that governments and companies can and should take to ensure better outcomes for resettled people. Study findings are relevant to other large-scale industrial developments in Mozambique, including oil and gas.

This study employed a qualitative research design using multiple methods and sources. The primary research tool was key informant interviews with resettled people to emphasise their "voice". The study team completed 21 in-depth individual interviews and four group discussions with 37 people during a field visit to the Mualadzi resettlement community in November 2014. Selection criteria ensured that a diversity of resettled people were able to participate. Interviews with these 58 people are the focus of the study, and represent the core sample. Desktop research and a series of background and supplementary interviews provided additional information.

The study does not claim to be representative of experiences of resettlement across Tete or to offer perspectives from across stakeholder groups. The study was designed to capture stories, perspectives and lived experiences of some of the most marginalised and vulnerable people in the community, and to ensure that the voices of women and youth were included. The test of any successful resettlement is not whether the majority of resettlers have adapted or consider themselves to be better off, but how the most marginalised and vulnerable have fared, since this is where the risk of human rights violations is greatest.

Funding from the International Mining for Development Centre (IM4DC) enabled this study. Funding was approved and the study had commenced prior to the sale of the Benga mine by Rio Tinto.



The remote location and poor quality land of Mualadzi contributes to peoples disadvantage. Photo Serena Lillywhite/OxfamAUS.

CONTEXTUAL FACTORS

There are a range of defining features of the resettlement context in Mozambique, including that:

- At the end of its civil war in 1992, Mozambique was considered the poorest country in the world with an external debt of almost 200% of gross domestic product (GDP). In 2013, Mozambique ranked 178 out of 187 on the United Nations (UN) Human Development Index.
- Mozambique is an overwhelmingly agrarian society, with 70% of the population relying on subsistence agriculture for basic livelihood needs. Only 35% of the total population has access to potable water.
- Mozambique has more recently become one of the fastest growing economies on the African continent. This growth has largely been driven by capital-intensive mega projects and the extractive industries boom. The total size of the extractive sector (including oil and gas) grew 22% in 2013 and accounts for 5% of GDP, which is estimated to increase to 10% by 2017.
- The political climate at the time of the study was volatile. Strongly contested elections had been held the month prior to the study, in which the former rebel movement staged a significant return to opposition politics.
- Recent requirements set out in the new Mining Law and Resettlement Decree can be interpreted as an attempt by the state to respond to the rapid nature of economic growth in Mozambique. Monitoring and enforcement continue to pose a challenge, as regulatory capacity does not correspond to the speed and scale of growth in extractive industries.
- The Resettlement Action Plan (RAP) indicates that eight resettlement sites were considered. Two of these were free of any exploration licences, one of which was Mualadzi. The rapid and extensive issuing of licences and concessions suggests that land availability, rather than suitability, is the primary factor influencing government decisions about site selection.
- Prior research on the Benga mine suggests that significant social performance and due diligence gaps were known by the time Rio Tinto assumed management responsibility for the mine, and these gaps had received strong criticism from civil society groups.

SUMMARY OF FINDINGS

Against Mozambique's history of conflict, endemic poverty and weak state capacity, livelihood reconstruction as part of a resettlement process is a difficult undertaking. Mozambique's pre-existing context calls for special measures to protect against further impoverishment of already "at risk" people. In light of the background challenges, risk mitigation and livelihood restoration measures at Mualadzi do not appear to be commensurate with resettlement impacts or expressed community needs. State and corporate actors have not adequately accounted for resettlement risks, and without a comprehensive and transparent program of monitoring and evaluation, holding these actors to account is problematic. A lack of participatory monitoring also suggests that the rights and interests of resettled people — women and youth in particular — are not being prioritised.

The many forms of disadvantage that people in Mualadzi face include:

- food and water insecurity
- loss of economic opportunities
- costs carried by resettled families
- fracturing of community
- uncertainty and limited access to information
- deficiencies in the remedy process; and
- recovery in a low capacity environment.

FOOD AND WATER INSECURITY

Participants explained that there is not enough water for daily needs. Prior to resettlement, interviewees said that they could rely on the Revuboe River, even in the dry season. Interviewees said that in Mualadzi, their situation is vastly different, citing water supply as inadequate. In terms of food insecurity, most interviewees said that their families did not have enough food and reported being hungry. Interviewees explained that since arriving at Mualadzi, some families had tried to work the land, but had not been successful. Poor soil quality and lack of water were the two most frequently cited causes of crop failure. In addition to the arid physical environment and poor quality soil, a number of other factors exacerbated food insecurity. The first relates to the timing of relocation, which was said to have occurred too late in the planting season. A second factor relates to inadequate support received in the transition period in terms of livelihood restoration and food assistance.

LOSS OF ECONOMIC OPPORTUNITIES

As much as subsistence agriculture was a significant part of life at Capanga, interviewees said they had also engaged in a range of other activities for supplementary income. These activities included brickmaking, cutting firewood, producing homemade goods (for example, brooms and brushes), fishing, making charcoal, collecting and selling stones and digging sand from the riverbed. Some of the young men had been employed in construction and other jobs in Moatize. Similarly, women were able to sell vegetables and other produce at roadside markets. At Mualadzi, small-scale economic opportunities have been all but lost — there is virtually no local economy.

COSTS CARRIED BY RESETTLED FAMILIES

One of the known issues of planned resettlement is that the costs are frequently underestimated. When this occurs, communities tend to absorb costs that were not accounted for in the planning process. Interview findings suggest that this is the case at Mualadzi. Interviewees described how they have had to absorb a range of material costs that primarily relate to transport and food. By failing to account for the full cost of resettlement, the companies concerned have effectively externalised the cost of impact mitigation and recovery, in the process putting resettled communities at greater risk of impoverishment. As the government has not addressed the shortfall, families are absorbing certain costs of maintaining their livelihood and social networks.

FRACTURING OF COMMUNITY

There was a strong sense from interviews that people's social networks and livelihood patterns have been significantly disrupted by involuntary displacement. There was a general feeling of being unsettled and isolated, with people having lost a sense of place and spirituality. This loss was linked to not having a church in Mualadzi and concerns about the relocation of the cemetery. The loss of access to the river has had a major bearing on patterns of social exchange. Interviewees explained that the river was an important aspect in the social and economic life of the community. In the past, women would gather at the river to wash, collect water and engage in conversation. The men also had regular meeting spots. Many of these patterns of social interaction have not been re-established in the new location.

UNCERTAINTY AND LIMITED ACCESS TO INFORMATION

Interviewees were uncertain about their future. The discontinuation of food assistance was an immediate concern. There was also uncertainty about new farming techniques that the company had introduced to try and secure a supply of food for resettled families. There was confusion about people's eligibility for certain livelihood restoration activities and evidence that some people felt excluded. The general sense of uncertainty also related to the sale of the mine by Rio Tinto to ICVL, including how outstanding issues were going to be handled by the new owners.

DEFICIENCIES IN REMEDY PROCESSES

The Benga mine resettlement action plan defines a complaints and grievance process and includes channels through which the community can register a complaint with the company. However, in practice, interviewees said that they had been unable to resolve their key concerns. It was also clear from the interviews that certain people struggle to find a voice in the public sphere — including some young people (both male and female) and women. The social norms relating to hierarchy and representation were viewed as having a limiting effect on individuals participating in meetings or raising concerns. Several interviewees said that the only way they would be able to get their issues addressed in the future would be through public protest, blockades and a civil action.

LACK OF TRUST BETWEEN STAKEHOLDERS

Lack of trust between stakeholders was a consistent theme throughout the interview process. There was an overwhelming lack of trust in the companies involved. In every interview, interviewees cited promises that Riversdale or Rio Tinto had made, or were believed to have made, but had not fulfilled. There was also a distinct sense that the relationship between the company and the community had deteriorated post-relocation. A lack of trust in government to resolve issues and monitor resettlement impacts was also cited. In Mualadzi, local leaders were not well trusted either.



People explained that they do not have enough water for daily needs. Photo: Serena Lillywhite/OxfamAUS.

RECOVERY IN A LOW CAPACITY ENVIRONMENT

People from Mualadzi are recovering from involuntary displacement in a low capacity environment. Limitations of the physical environment include poor quality soil, lack of water and the isolated location, while other limitations relate to the institutional environment. The study team confirmed that there is no active government program to monitor corporate commitments made in the RAP. The ability of local civil society organisations to support resettled families cope with the social and economic change brought about by resettlement is limited. Given the scale of resettlement and the intensive nature of support required in the recovery process, local organisations are working beyond their intended capacity with limited resources.

CONTRIBUTING FACTORS

The following table summarises some of the key factors that have contributed to the situation in Mualadzi:

Planning failures	Systemic issues
The issues highlighted by people in Mualadzi were known resettlement risks at the time the RAP was prepared.	The extent of coal mineral titles zoned across Tete province appears to have influenced the government's choice of Mualadzi as a resettlement location.
Risk identification, prevention and mitigation were not sufficiently thorough in this instance.	The regulatory framework for Mozambique's mining industry is not keeping pace with the rapid rate of industrial development in Tete.
Mitigation measures as outlined in the RAP were, for the most part, provisional.	The transfer of mine ownership from Riversdale to Rio Tinto and then from Rio Tinto to ICVL has complicated the resettlement process and obscured the question of corporate responsibility.
From the perspective of resettled people, food support and livelihood restoration were deficient.	Rio Tinto's internal due diligence processes did not appear to trigger an adequate response to resettlement challenges at Mualadzi.
Other than a small group of leaders, interviewees said they have not been included in decisions about resettlement.	Positioning resettlement as a "development opportunity" rather than an "impoverishment risk" in corporate policy frameworks distracts from issues of recovery and livelihood reconstruction.
Barriers to people's participation in livelihood restoration activities (age, gender and economic status) were not adequately accounted for.	
The monitoring program at Mualadzi appears ad hoc and incommensurate with the serious nature of risks and impacts.	
From the perspective of interviewees, grievance mechanisms are lacking in terms of both procedure and outcomes.	

RECOMMENDATIONS AND NEXT STEPS

First and foremost, the report recommends participation, access to information and social inclusion — including women, men, youth, elders, leaders and people with a disability. Inclusive and participatory processes will help to identify and mitigate the known risks of resettlement, better understand lesser known risks and support the equitable

distribution of benefits from the extractives sector. The report also outlines a range of specific recommendations to improve resettlement outcomes in both the immediate and longer term. The tables below provide an overview of key recommendations for each major actor. The full set of recommendations are contained in the report:

CORPORATE ACTORS:

ICVL	Rio Tinto
Update and disclose the RAP and associated budget.	Publicly disclose human rights impact assessments (HRIAs).
Improve livelihood restoration activities, including for women and youth.	Publicly disclose the Benga mine monitoring framework, including indicators of resettlement "success".
Reinstate food assistance.	Amend corporate policies to require HRIAs prior to acquisition.
Improve water infrastructure, roads and transport systems.	Share lessons learned from the social due diligence process for the acquisition of the Benga mine.
Co-design and implement project-level grievance mechanisms.	Publicly disclose the approach to participatory resettlement planning at other global locations.
Publicly disclose expansion and further resettlement plans.	

GOVERNMENT ACTORS:

Provincial Government of Tete	National Government of Mozambique
Discharge duties for monitoring and oversight.	Further strengthen the legal framework and the Resettlement Decree.
Work with developers to improve livelihood restoration activities, including for women and youth.	Require developers to update RAPs on transfer of ownership; assess risks and publicly disclose relevant studies prior to mine permitting; and establish essential infrastructure prior to physical relocation of communities.
Publicly disclose plans to address water issues at Mualadzi.	Audit land availability and suitability for resettlement prior to issuing licences.
Review the functionality of the Provincial Resettlement Committees.	Support civil society groups to gain access to information about extractive projects.
Apply lessons from this case elsewhere in Tete province.	Publicly disclose all oil, gas and mining contracts.
	Develop a National Action Plan (NAP) to implement the UN Guiding Principles on Business and Human Rights (UNGPs).

INTERNATIONAL ACTORS:

Home country governments (Australia, United Kingdom, United States (US) and India)	International Finance Corporation (IFC) and the International Council on Mining and Metals (ICMM)
Develop or amend NAPs to ensure implementation of the UNGPs.	IFC and other IFIs need to develop sector-specific resettlement guidance for the extractive industry.
Require high levels of transparency on resettlement for all extractive companies headquartered in, listed in, or operating in or from the relevant country.	ICMM needs to initiate a review of resettlement practice with the aim of defining clear standards and commitments for member companies.

FUTURE CONSIDERATIONS

This Oxfam–CSRM study raises four important considerations for the future:

1. The potential for localised conflict

People at Mualadzi are living in close proximity to Cateme, another resettlement community. Not only are people from Mualadzi learning that public protest can bring about change where other processes fail them, there are emerging tensions between the two communities over issues of transport. These issues need careful monitoring and may need strategic intervention before tensions escalate.

2. ICVL plans for expansion

Expansion will require further resettlement. This will put more pressure on resettled and receiving communities, local civil society organisations and the state. It will also put pressure on ICVL to ensure it does not exacerbate or re-generate the current set of problems on a larger scale.

3. Ongoing pressure on land availability

Even in the face of a global downturn, extractive industries in Tete and throughout Mozambique continue to expand. For example, in Cabo Delgado province, mega project investment in natural gas is underway through companies such as Anadarko (US) and Eni SpA (Italy). The Anadarko project is expected to require the resettlement of an estimated 3,000 rural people.

3. Balancing human rights and development

Pressure on land availability and associated food security and livelihood impacts will continue as more mining concessions are granted. How the government grants concessions, monitors implementation and makes decisions about resettlement locations is vitally important for ensuring that national development imperatives do not come at the expense of the rights and interests of local people.

1 INTRODUCTION

This study provides insight into the lives of people who have been resettled by large-scale mining in Tete province of Mozambique. In doing so, it seeks to contribute to a broader dialogue about how to improve policy and practice in relation to involuntary resettlement associated with mining projects. There is a growing body of evidence that, despite efforts by the international finance institutions (IFIs) and some national governments to set and apply standards in this area, people who are displaced by mining and other large scale developments typically have their rights diminished and are exposed to long-term disadvantage.¹ This study provides insight into factors that contribute to resettlement practice falling short of accepted global standards and, importantly, identifies actions that governments and companies can and should take to ensure better outcomes from resettlement. It also acknowledges that resettlement is a complex, disruptive and dynamic process and that decisions and actions with good intent can still result in resettled peoples being worse off.

This report presents the experiences of resettlement from the perspective of individuals, households and groups who are recovering from mining-induced displacement. It also describes the context within which mining and resettlement is taking place in Mozambique — a setting characterised by poverty, rapid economic growth, limited regulatory oversight and intense pressure on land availability. In this sense, the study situates a particular set of experiences within a broader historical, political and economic environment. Voices from the Mualadzi community highlight the precarious situation that many project-affected people face and will continue to face in Mozambique unless major structural change occurs.

The context for this Oxfam–CSRM study is the Benga coal mine, and the planned resettlement of 736 households (approximately 3,680 people).² The resettlement process has so far involved three companies through two acquisitions over a period of five years. The process was

not complete at the time of this study. The Benga mine was originally developed by Australian mid-tier miner Riversdale Mining Limited.³ The location of the rural resettlement site at Mualadzi was determined by the government with limited consultation with affected communities. Golder Associates with Impacto Limitada were commissioned to develop a resettlement action plan (RAP).⁴ The RAP received Ministerial approval in 2010.⁵ Rio Tinto (through its subsidiary Rio Tinto Benga Limitada) became bound by the Riversdale RAP when it acquired Riversdale in 2011.

According to the RAP, relocation was planned to have occurred in three phases between 2009 and 2011.⁶ Riversdale initiated the first phase in late 2010, the year that mine construction commenced. At this time, 26 households were relocated to Mualadzi, a rural resettlement community designed to accommodate 478 households. Another 45 households were relocated in 2011, the year that Rio Tinto acquired Riversdale.⁷ After acquisition, Rio Tinto completed



Mining and resettlement often has the greatest adverse impact on women and youth. Photo: Serena Lillywhite/OxfamAUS.

¹ At the time of writing, an internal review of more than two decades of World Bank projects found “major problems” in involuntary resettlement practice, including failure to identify risks to local populations and apply their own safeguard measures. See: <http://www.worldbank.org/en/news/press-release/2015/03/04/world-bank-shortcomings-resettlement-projects-plan-fix-problems>.

² The total number of households referred to is based on data provided by Rio Tinto and information contained in the resettlement action plan (RAP) (Golder Associates Africa (Pty) for Riversdale Limitada, 1 September 2009). The total number of resettled people is calculated based on an average of five persons per household, as per the RAP, 57).

³ Riversdale was operating in Mozambique in joint venture with Tata Steel Global Holdings Ltd.

⁴ The RAP subscribed to the principles contained in the International Finance Corporation (IFC) Performance Standard 5. IFC. (2006) Performance Standard 5: Land Acquisition and Involuntary Resettlement. Washington DC: International Finance Corporation. Available at: http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/our+approach/risk+management/performance+standards/performancestandards

⁵ The mining contract between Riversdale and the government of Mozambique was approved by the Council of Ministers, pursuant to a Decree published on 13 May 2009.

⁶ Phases Two and Three were originally planned to occur concurrently.

⁷ Riversdale Mining remained the legal entity (wholly owned by Rio Tinto Plc) encompassing Rio Tinto Benga Mauritius Ltd, of which 65% was owned by Rio Tinto and 35% by Tata Steel. Rio Tinto Benga Limitada was a subsidiary of Rio Tinto Benga Mauritius Ltd, and one of a group of Rio Tinto companies in Mozambique known as Rio Tinto Coal Mozambique. The acquisition of Riversdale also included other exploration licences in Mozambique including the Zambeze and Tete East projects, and the Zululand Anthracite Colliery mine in South Africa.

the first phase that Riversdale commenced by relocating a further 14 households. In 2013, more than 12 months later than originally planned, Rio Tinto completed the second and largest phase by relocating another 358 households (approximately 2,100 people) to Mualadzi. In March 2014, Rio Tinto resettled a further 35 households that had previously been classified for urban resettlement.⁸ The households relocated to Mualadzi by Rio Tinto in this second phase are the focus of this study. At the time of the study in November 2014, new owners, International Coal Ventures Limited (ICVL), were yet to resettle an estimated additional 262 households as part of the third phase.⁹ These households are classified for urban resettlement. A timeline of resettlement events is provided in Section 2.

Three years after its acquisition of Riversdale for almost US \$3.7 billion, Rio Tinto announced that it would sell the Benga mine and other coal assets in Mozambique.¹⁰ Rio Tinto recognised an impairment charge of US \$2.86 billion post-tax on assets, before selling the Benga mine and other coal assets in Mozambique for US \$50 million – less than 1.35% of the purchase price.¹¹ Market analysts linked these massive losses to an overestimation of recoverable reserves against a declining coal price and failure to secure the necessary approvals to barge coal on the Zambezi River to the Port of Beira. All assets and liabilities linked to the Benga coal mine were transferred from Rio Tinto onto ICVL at the point of sale in October 2014. The Oxfam–CSRM study took place in November 2014, immediately following the transfer of ownership. This timing provided a unique opportunity for the research team to explore the transition between project owners from the perspective of impacted communities. ICVL has since announced plans to expand and triple production within the next three years.¹²

Available and appropriate land for resettlement is scarce in Tete, with an estimated 60% of the province under mineral title.¹³ In the case of the Benga mine, prior to relocation, people lived along the fertile banks of the Zambezi and Revuboe rivers, near the town of Moatize (see Map 1). This location provided the basis for a modest but nonetheless stable system of subsistence living for its residents.

According to the RAP, moderate to good quality soils are typical of the floodplain. The flood plain is widely used for subsistence rain-fed agriculture, particularly maize, and the upland areas are used for sorghum and millet and grazing for cattle and goats. To make way for the Benga mine, people were moved to Mualadzi, a remote and arid area located approximately 50 kilometres away from the river, the town of Moatize, and homes in Capanga.

In Mualadzi, resettled families farm on poor quality soil with an insecure water supply. According to the RAP, the area has soils with low natural fertility that are shallow and stony, experience rapid drainage and are prone to erosion. The RAP states that fertiliser will be required to enhance soils. It also suggests that agricultural extension services and the introduction of new crops and production methods will be required to ensure productivity. In Mualadzi, resettled families also have reduced access to market and employment opportunities. Poverty and uncertainty were part of life on the banks of the Zambezi and Revuboe, but most people interviewed for this study report that they are in a more precarious situation than they were before. As Section 4 of this report highlights, the overwhelming experience is that resettled families are worse off than prior to resettlement, and face an uncertain future.

1.1 Funding

Funding from the International Mining for Development Centre (IM4DC) enabled this study. Significant in-kind contributions were provided by Oxfam and the Centre for Social Responsibility in Mining (CSRM) in staff time.¹⁴ CSRM works closely with mining companies and has a six-year research partnership with Rio Tinto. However, no company funds were used for this research. Rio Tinto did not provide any cash or in-kind assistance for the purposes of undertaking this study and has no access to any of the raw interview data collected for this project, only the aggregated findings. Oxfam has not received any funding from any oil, gas or mining company for the purposes of this study.

This study builds on an earlier scoping study in Tete conducted in March 2013 by Oxfam and an 18-month period of engagement by Oxfam with Rio Tinto before this study began to discuss issues of concern about the resettlement of people displaced by the Benga mine. The funding for this study was secured and the research had commenced prior to the sale of the Benga mine by Rio Tinto to ICVL.

⁸ The urban resettlement is not located at Mualadzi and has a focus on urban employment and small lot housing with small plots (rather than fields) and the use and/or upgrading of built infrastructure and services. In contrast, the rural resettlement at Mualadzi is largely focused on remote area housing, subsistence agriculture and livestock.

⁹ ICVL is a joint venture company incorporated in India and mandated by the Indian Government exclusively for the purpose of acquiring coal mines and assets in overseas territories. The purpose is to secure long-term coking coal to meet the growth requirements of Indian steel companies. These companies are among the largest of India's government-owned entities including Steel Authority of India Limited, Coal India Limited, Rashtriya Ispat Nigam Limited, National Minerals Development Corporation Limited and National Thermal Power Corporation Limited. ICVL information is available at: <http://icvl.in/>

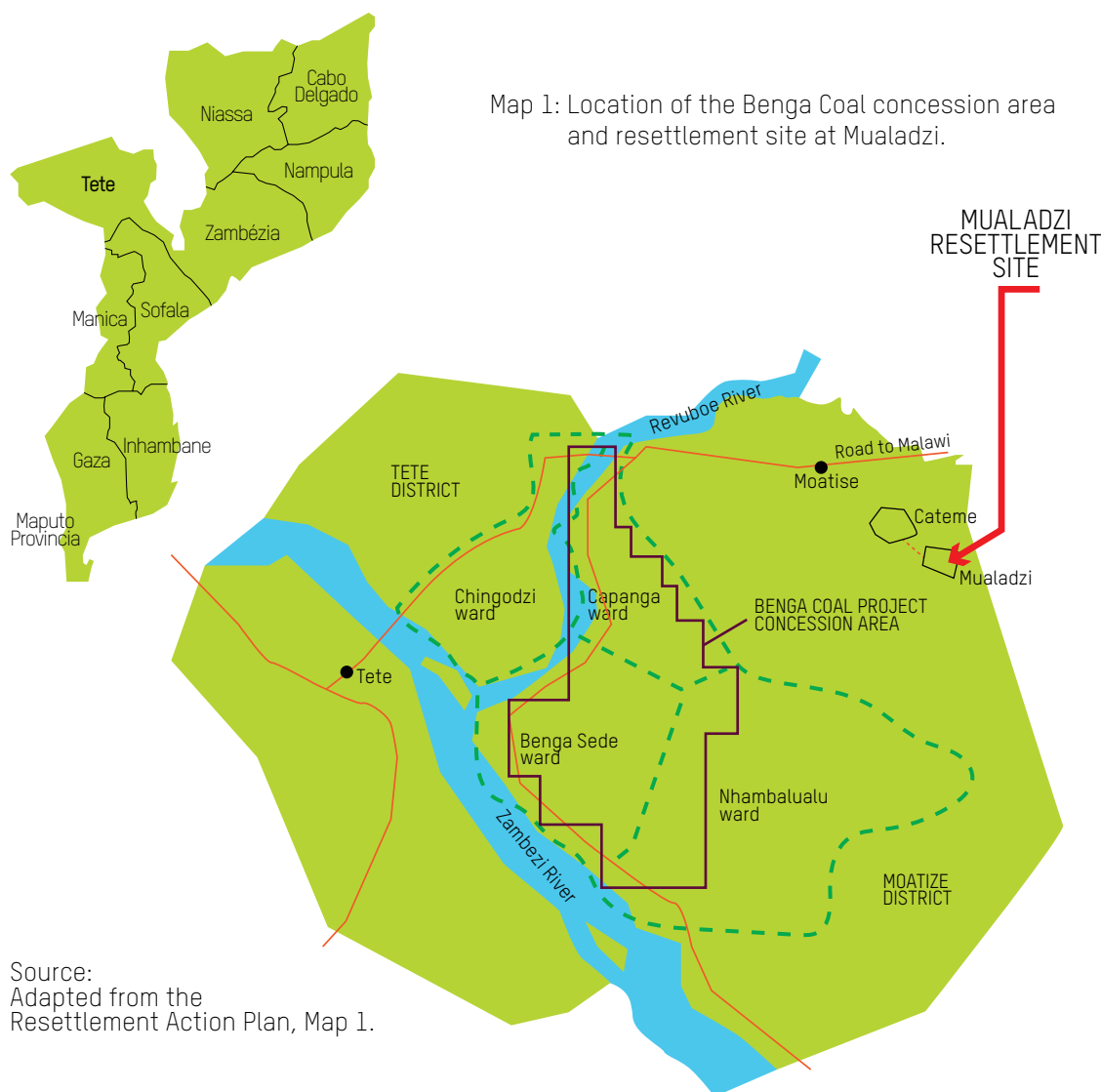
¹⁰ Rio Tinto. (2014) Media release: Rio Tinto agrees sale of coal assets in Mozambique. Available at: http://www.riotinto.com/documents/140730_Rio_Tinto_agrees_sale_of_coal_assets_in_Mozambique.pdf

¹¹ Rio Tinto. (2011) *Annual Report*. Available at: <http://www.riotinto.com/annualreport2011/>

¹² Das, K. (2014) *India group ICVL to nearly triple coal output from mine bought from Rio Tinto*. Reuters. Available at: <http://in.reuters.com/article/2014/07/31/uk-rio-tinto-plc-mozambique-icvl-idINKBN0G02FH20140731>

¹³ The October 2012 Mozambique mining registry states that mining concessions and exploration licences in Tete province cover approximately 34% of the province. See: <http://portals.flexicadastre.com/mozambique/en/>. A Human Rights Watch report from 2013 indicates that when applications pending approval are considered, approximately 60% of Tete is under concession. Human Rights Watch. (2013) *What is a House Without Food? Mozambique's Coal Mining Boom and Resettlement*. Washington DC: Human Rights Watch. Available at: <http://www.hrw.org/reports/2013/05/23/what-house-without-food>

¹⁴ The International Mining for Development Centre (IM4DC) is one part of the Australian Government's Mining for Development Initiative whose stated mission is to support developing countries to "maximise the economic benefits from their extractives sector in a socially and environmentally sustainable way". The Australian Department of Foreign Affairs and Trade (DFAT) is the sole funder of IM4DC. See Section 7 of this report for information on the study team.



Source:
Adapted from the
Resettlement Action Plan, Map 1.

1.2 Study aims and approach

This Oxfam–CSRM study has three aims. The first aim is to understand people’s experiences — especially women’s — of mining-induced displacement and resettlement in Tete province, Mozambique. The study focuses on capturing voices of resettled people who were moved by Rio Tinto in Phase Two of the Benga mine resettlement approximately 18 months after they were relocated from Capanga to Mualadzi. Rio Tinto resettled the largest number of people in this second phase and, as such, it is the focus of this study. In November 2014, the study team completed 21 in-depth individual interviews and four group discussions with 37 people in Mualadzi. Selection criteria ensured that a diversity of resettled people were able to participate. Interviews with these 58 people are the focus of the study and represent the core sample.

While in Tete, the Oxfam–CSRM study team also completed 10 interviews with representatives from local non-government organisations (NGOs), government officials and ICVL community relations staff. Outside of Tete, seven other interviews were conducted with international NGOs. Further discussions were also conducted with Rio Tinto corporate representatives, company consultants and other researchers who were familiar with the Mualadzi case.

The study does not claim to be representative of experiences of resettlement across Tete or to offer perspectives from across stakeholder groups. Nor does it claim to be representative of the Phase Two resettlement

experience. It was designed to capture stories, perspectives and lived experiences of some of the most marginalised and vulnerable people in the community, and to ensure that the voices of different women were included. This report argues that the test of any successful resettlement is not whether the majority of resettlers have adapted or consider themselves better off, but how the most marginalised and vulnerable have fared, since this is where the risk of human rights violations is greatest.

The second aim is to support people from the affected communities and local civil society organisations to conduct research and engage with mining companies and government, and ensure affected communities enjoy of their rights. The study was undertaken in collaboration with two local organisations, the Tete Provincial Farmers Union (UPTC) and the Association for Legal Assistance and Support to Communities (AAAJC). This involved a collaborative approach to the study design, fieldwork and analysis. The study team worked together to develop recommendations for how different actors might address immediate resettlement risks and impacts and consider how a situation like that in Mualadzi might be avoided in the future.

There are few empirical studies available to guide governments, policy makers, companies and international financial institutions (IFI) in the development of solutions to the types of challenges outlined in this report. Therefore, the third aim of this study is to generate a more active dialogue

about mining and resettlement risks and impacts among key actors to improve policy and practice. This report identifies actions that governments and companies can take to ensure better outcomes for people resettled by mining. Study findings will be relevant to other industrial developments in Mozambique, including gas projects in Cabo Delgado, as well as to the broader international dialogue around how to improve resettlement practice.

1.2 Report structure

The report proceeds by providing a backdrop to the empirical data (Section 2), followed by a brief overview of the study methodology (Section 3). Voices from the Mualadzi community Phase Two Benga mine relocation are presented in Section 4. The report then considers the broader implications that the findings raise in relation to mining and extractives in Mozambique (Section 5) and concludes by offering a series of recommendations aimed at improving the lives of people who are – and will be – affected by the extractives sector and resettlement in Mozambique (Section 6).

2 BACKGROUND TO THE STUDY

This section outlines some of the defining features of the mining and resettlement context in Mozambique. It is one of the poorest countries in the world with a complex and volatile political history. While the extractive sector in Mozambique has been expanding rapidly, its regulatory framework lags behind. State capacity to monitor and regulate mining and resettlement is limited, as is often the case with other emerging mining economies.¹⁵ As we highlight below, a range of civil society groups have drawn attention to issues of mining and resettlement in Mozambique.¹⁶

2.1 History of human migration and displacement

Mining and resettlement in Mozambique should be read against its long history of human migration. Early patterns of displacement have been linked to the brutal nature of the East African slave trade, reaching far into the interior.¹⁷ The settlement at Tete was an important Swahili trading hub even before the Portuguese colonial era. Portuguese explorers travelled inland along the Zambezi River in search of gold and ivory, settling at Tete in 1531.¹⁸

From the 1800s, indigenous populations were forcibly expelled from their land to enable the establishment of colonial industries, including agribusiness and mineral extraction. Private chartered companies spearheaded expansion under a colonial mandate to perform state functions such as collect taxes. The Mozambique Company, for example, was headquartered in Beira, where coal from the Benga mine is shipped to foreign markets.

In the mid-1900s, Portugal — along with other colonising nations — pursued a process of “villagisation”, which involved “gathering up” Mozambique’s sparse settlements into villages. These consolidations represented a politically motivated defence strategy to contain the nationalist guerrillas fighting for Mozambique’s independence.¹⁹ Mozambique eventually gained independence in 1975, after which the newly formed state continued the strategy of population consolidation. This strategy was pursued in order to defend rural populations and counter insurgency during the civil war, which began in 1977 and ended in 1992.

By the time the civil war ended, it had claimed the lives of around one million people. Many atrocities were committed against civilians, including mass abductions of children from rural villages.²⁰ During this time, the Tete corridor, also known as the “Tete run”, saw heavy fighting and widespread use of landmines. The road between Tete and Malawi (where the Mualadzi resettlement is located today) was mined with explosives, as was the Moatize railway. Repeated acts of sabotage closed the railway from 1984 to 1992. In addition to mass internal displacement, around 700,000 Mozambican refugees fled across the border into Malawi, from where they later returned to Tete province. Many were received temporarily at a refugee centre in Moatize, while landmine clearance of the surrounding areas began in 1993.²¹ In 2000, people settled along the Zambezi and Revuboe rivers were again displaced, this time by severe floods.

In the post-conflict period, the pattern of internal displacement for the purposes of market expansion and mega projects has been somewhat revived. This is being enabled by foreign direct investment in mining, gas and other mega projects such as agribusiness and infrastructure. This migratory pattern varies from isolated displacement of a small number of families to forced displacement of entire communities of thousands of people. Throughout Mozambique’s history, patterns of migration have been predominately managed by the host state (even in its early forms), and foreign actors — companies, investors and donors. This continues in the present day.

¹⁵Vo, M. and Brereton, D. (2014) Involuntary Resettlement in the Extractive Industries: Lessons from a Vietnamese Mining Project. In E. Fitriani, F. Seda and Y. Maryam (eds.) *Governance of Extractive Industries: Assessing National Experiences to Inform Regional Cooperation in Southeast Asia*. p. 36-61, Jakarta: UI Press; Terminski, B. (2012) Mining-induced Displacement and Resettlement: Social Problem and Human Rights Issue. Available at: <http://nbn-resolving.org/urn:nbn:de:0168-ssor-327774>; Campbell, B. (ed). (2009) *Mining in Africa: Regulation and Development*. Ottawa: Pluto Press.

¹⁶Sepulveda Carmona, M. (2014) Report of the Special Rapporteur on Extreme Poverty and Human Rights: Mission to Mozambique. Geneva: UN Human Rights Council. Available at: <http://bit.ly/1nLT4ic>

¹⁷Davidson, B. (1961) *The African Slave Trade*. London: James Currey.

¹⁸Shillington, K. (ed.) (2013) *Encyclopaedia of African History*. New York: Routledge.

¹⁹Vines, A. (1994) *Landmines in Mozambique*. New York: Human Rights Watch. Available at: <http://www.hrw.org/sites/default/files/reports/MOZAMB943.pdf>

²⁰Gersony, R. (1988) *Mozambique Refugee Accounts of Principally Conflict Related Experiences in Mozambique*. Washington DC: US Department of State.

²¹Ibid footnote 20.

2.2 Human development in Mozambique

At the end of the civil war in 1992, Mozambique was considered to be the poorest country in the world, with an external debt of almost 200% of its gross domestic product (GDP). According to World Bank data from 2010, 80% of the population was living in poverty, and the annual inflation rate was 50%.²² In 2013, Mozambique ranked 178 out of 187 on the UN Human Development Index (HDI).²³ The Multidimensional Poverty Index (MPI) measures deprivation at the household level by focusing on key indicators in education, health and living standards. In 2011, the MPI indicated that 70.2% of Mozambique's population is multi-dimensionally poor, with a further 14.8% nearing multi-dimensional poverty, with a score of 0.39. Both the HDI and the MPI provide strong indicators of systemic vulnerability in this particular operating context.

In 2013, average life expectancy at birth was 50.3, average years of schooling 9.5.²⁴ In the same year, GDP per person was estimated to be US \$605 per year.²⁵ Mozambique recorded a Gender Inequality Index (GII) value of 0.582 ranking 125 out of 148 countries. Gender disaggregated data indicates that women, especially in rural areas, are more disadvantaged than men. Mozambique is overwhelmingly an agrarian society with 70% of the population relying on subsistence agriculture for basic livelihood needs, with only 35% of the total population having access to potable water.

While it does not rank well in absolute terms, Mozambique has more recently become one of the fastest growing economies on the African continent, with an average GDP growth of 7% between 2004 and 2013.²⁶ This growth has largely been driven by capital-intensive mega projects and the extractive industries boom.²⁷ The total size of the extractive sector (including oil and gas) grew 22% in 2013. This rapid growth is primarily due to a surge in coal production, which increased to 7.5 million tonnes in 2013 compared with 4.8 million tonnes the previous year.²⁸ The extractives sector currently accounts for 5% of GDP, which is estimated to increase to 10% by 2017.

The capital-intensive nature of Mozambique's economy has created limited jobs to date, and so far has had limited impact on poverty reduction.²⁹ In 2014, the total spending on health as a percentage of GDP was 6.4% and 5% for education.³⁰ The lack of resources for essential social services makes it difficult for the country to contain the generalised HIV epidemic, which undermines progress in human development.³¹ Recent studies have concluded that male migrant mine workers from Mozambique are considered to be a population at high risk of HIV infection, as is also the case for male migrant mine workers in other African countries.³²

Research also highlights that women are particularly at risk of experiencing adverse impacts from mining. For example, where there is a heavy reliance on a transient male workforce, as is typically the case during construction, women are exposed to heightened health and security risks, such as sexual violence, sexually transmitted diseases and increased alcohol abuse in the community. In addition, it is more difficult for women to access the economic benefits that mining can bring, in the form of jobs and business opportunities. In short, the impacts of mining operations are not gender neutral. Women can experience the direct and indirect consequences of mining in different, and often more pronounced, ways than men. There is often limited attention paid to gender analysis and planning in mining operations.³³

2.3 Contemporary political climate

The political climate at the time of the study was volatile. Strongly contested elections had been held the month prior to the study, in which the former rebel movement staged a significant return to opposition politics. In Tete province, the ruling party Frente de Libertação de Moçambique (FRELIMO) lost the presidential ballot to Resistência Nacional Moçambicana (RENAMO) leader, Afonso Dhlakama.³⁴ They narrowly held on to a parliamentary win of 48% to RENAMO's 46%. The province was previously a FRELIMO stronghold, with an 87.2% majority in the parliamentary elections of 2009.

²² Republic of Mozambique. (2010) Report on the Millennium Development Goals. Available at: http://www.undp.org/content/dam/undp/library/MDG/english/MDG%20Country%20Reports/Mozambique/mozambique_september2010.pdf

²³ UNDP. (2013) Human Development Report. Available at: <http://hdr.undp.org/sites/default/files/Country-Profiles/MOZ.pdf>

²⁴ UNDP. (2014) Human Development Report. Available at: http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/MOZ.pdf

²⁵ Calculated based on World Bank data. The World Bank. (2015) Mozambique: World Development Indicators. Washington DC: The World Bank IBRD-IDA. Available at: http://data.worldbank.org/country/mozambique#cp_wdi

²⁶ Ibid footnote 25.

²⁷ In the petroleum sector, South Africa-based Sasol has been producing gas since 2004. It is estimated that Mozambique's offshore fields hold a combined 150 trillion cubic feet of gas. Negotiations between international investors — including the American petroleum company Anadarko and Italy's ENI — and the government to build a US \$40 billion LNG plant in the Cabo Delgado province were underway at the time of the Oxfam-CSR study.

²⁸ Almeida-Santos, A., Monge Roffarello, L., and Filipe, M. (2014) Mozambique. African Economic Outlook. Available at: http://www.africaneconomicoutlook.org/fileadmin/uploads/aeo/2014/PDF/CN_Long_EN/Mozambique_EN.pdf

²⁹ Ibid footnote 25.

³⁰ World Health Organization. (2015). Mozambique Profile. World Health Organization. Available at: <http://www.who.int/countries/moz/en/>

³¹ Ibid footnote 23.

³² Semá Baltazar, C., Young, P., Inguane, C., Friede, C., Horth, R., and Fisher, R.H. (2013) HIV prevalence and risk factors among Mozambican Mine workers working in South Africa, 2012. Presented at IAS 2013 – Kuala Lumpur, Malaysia. Available at: http://globalhealthsciences.ucsf.edu/sites/default/files/content/pphg/posters/Miners_IAS.pdf

³³ Oxfam (2009) Women, Communities and Mining: The Gender Impacts of Mining and the Role of Gender Impact Assessment. Melbourne: Oxfam Australia. Available at: <http://resources.oxfam.org.au/pages/view.php?ref=460>; Rio Tinto. (2009) Why Gender Matters: A Resource Guide for Integrating Gender Considerations into Communities Work at Rio Tinto. Available at: http://www.riotinto.com/documents/ReportsPublications/Rio_Tinto_gender_guide.pdf

³⁴ Mozambique has been ruled by FRELIMO since independence in 1975, following Socialist policies until the early 1990s. RENAMO was established as an anti-Communist and counter-revolutionary organisation in 1975, with support from the white Rhodesian government and, during the civil war that followed, from Apartheid South Africa. Dhlakama has lost every presidential election since 1994, and his party was considered a spent force until this year's election.

In the 18 months leading up to the elections, resumption of armed attacks by RENAMO on key transport corridors raised the spectre of north-south insurgency for Mozambique two decades after the end of the civil war. Rio Tinto suspended coal transportation from the Benga mine in June 2013, for example, after RENAMO threatened to disrupt the Sena railway line that links Tete to the Port of Beira. Media reports have drawn a link between revenues generated by mining for the Mozambican Government and opportunistic attacks on the road and rail infrastructure by groups who believe they are being excluded from the benefits of the extractives boom.³⁵ Immediately ahead of the study there were reports of intimidation and election-related unrest. Six people were reportedly arrested in Tete, for example, after a number of polling stations and ballot material were burnt.³⁶

2.4 Legal framework for resettlement in the context of mining

There are several legal instruments that define requirements for resettlement in the context of mining in Mozambique. These instruments include the Land Law (1997), the Territorial Planning Law (2007), the Mining Law (2014), and a Resettlement Decree (2012).³⁷ The more recent requirements set out in the new Mining Law and Resettlement Decree can be interpreted as an attempt by the state to respond to the rapid nature of economic growth in Mozambique and a number of well-documented resettlement challenges in Tete province.³⁸ In fact, some international commentators observe these responses to be an attempt to re-balance the terms under which mining activities are conducted in favour of the host state and local communities.³⁹ Consistent with the rule of law, neither the new Mining Law nor the Decree applies retrospectively.⁴⁰ However, many of the fundamental principles contained in these instruments were already established in pre-existing laws.

The Land and the Territorial Planning Laws establish the basis for land use rights and define rules of compensation for loss of land, including in the context of mining and resettlement. In Mozambique, land is the property of the state and cannot be sold to anyone. Citizens, communities and other entities can hold the right to use and benefit from land through what is known as a *Direito de Uso Aproveitamento da Terra*, or a DUAT.⁴¹ These laws state that local communities who occupy land in good faith and according to customary practices

automatically hold the right to use and benefit from that land in perpetuity — even where they do not hold a formal title. Individuals hold similar rights where land is used for their home or family exploitation (for example, family farming). In terms of the current study, communities in Benga and Capanga held pre-existing rights to use and benefit from the land they occupied.⁴² These rights may only be terminated if developers pay fair compensation prior to rights being extinguished by the state. These laws and corresponding regulations also require that compensation extend beyond loss of tangible goods and productive assets and cover loss of intangible goods (for example, disruption of social cohesion), damage and loss of profit.

The Mining Law covers a wide range of matters relating to mining activities. The newly enacted version reiterates some of the fundamental principles outlined in the other instruments and introduces additional requirements. These additional requirements represent an effort to clarify minimum safeguards and advance human rights protections for project-affected people while still encouraging investment in large-scale mining projects. The new law requires, for example, that compensation terms be formalised in a Memorandum of Understanding between the state, the developer and the community.⁴³ In a similar vein, the law reiterates the requirements laid out in the Land and Territorial Laws that communities must be informed about mining activities prior to the granting of authorisations.⁴⁴

The Resettlement Decree also covers requirements for the preparation, implementation and monitoring of resettlement. Over and above the Land, Territorial and Mining Laws, the Decree outlines a further set of requirements in terms of the respective roles and responsibilities of the governments and developers. The Decree clarifies, for example, that developers must produce a RAP where previously there was less specificity about the planning process and its links to the Environmental Impact Assessment (EIA). Where resettlement cannot be avoided, RAPs are now an integral part of the EIA. RAPs are subject to inspections carried out as part of the government's oversight and monitoring role. The Decree also establishes performance benchmarks that require developers to re-establish or create a standard of living equal to or above the pre-resettlement standard. As with the mining law, the Decree emphasises a community's right to be informed, consulted and voice opinion throughout the resettlement process.

³⁵ BBC. (2013) Rio Tinto suspends coal exports from Mozambique. BBC News Business. Available at: <http://www.bbc.com/news/business-23065597>; Daly, J. (2013) Mozambique Guerrillas threaten country's energy infrastructure. Oilprice.com. Available at: <http://oilprice.com/Geopolitics/Africa/Mozambique-Guerrillas-Threaten-Countrys-Energy-Infrastructure.html>

³⁶ Njanji, S., and Jackson, J. (2014) RENAMO rejects election results. Agence-France Presse, Maputo. Available at: <http://reliefweb.int/report/mozambique/mozambique-opposition-renamo-rejects-election-results>

³⁷ Land Act Law No. 19/97, 07 October 1997; Land Law Regulations Decree No. 66/98, 08 December 1998; Law on Land Use Management, Law No 19/2007, 18 July 2007; Regulation on Land Use Management, Decree No. 23/2008, 1 July 2008; Mining Act, Law No 20/2014, 18 August 2014; Resettlement Regulation, Decree No 31/2012, 8 August 2012. While these are the most relevant sub-set of laws for the purposes of this study, other laws and regulations do apply to mining activities, especially the mining tax law and environmental regulations.

³⁸ The Mining Law 20/2014 of 18 August 2014 came into force in Mozambique on 18 August 2014 replacing the previous Mining Law 14/2002 of 26 June 2002 (except in relation to mining contracts that were in force prior to 22 August 2014). Mining Law. Law No 14/2002, 26 June 2002. Available at: <http://www.osall.org.za/docs/2011/03/Mozambique-Mining-Law-14-of-2002.pdf>

³⁹ Sherman and Sterling LLP. (2014) Mozambique's Mining Law: A Re-balancing Act. Project Development & Finance – Client Publication. Available at: <http://www.shearman.com/~media/Files/NewsInsights/Publications/2014/10/Mozambiques-New-Mining-Law--A-ReBalancing-Act-PDF-102714.pdf>

⁴⁰ The exception is if companies choose to "opt in" to the new legal regime.

⁴¹ The English translation is "right to use and benefit from the land".

⁴² These rights exist according to customary norms and practices and without having official title documents.

⁴³ Articles 30-31 of the Mining Law (Law No 20/2014 of 18 August 2014).

⁴⁴ Article 32 of the Mining Law (Law No 20/2014 of 18 August 2014).

These various laws and decrees and their respective regulations reiterate similar principles as they relate to customary land tenure, the right to fair compensation and the right to information about mining and resettlement. The degree to which the more recent changes in law complement or contradict established laws has not been tested in practice. In any case, processes of monitoring and enforcement continue to pose a challenge as regulatory capacity is not commensurate with the speed and scale of the growth of extractive industries in Mozambique. As a result, implementation of the legal framework is considered to be weak.⁴⁵

2.5 Resettlement at the Benga mine

The open cut Benga coal mine is located in the Moatize district of Tete province. Tete shares international borders with Zimbabwe, Zambia and Malawi and has internal boundaries with the provinces of Manica, Sofala and Zambezia. The Benga mine is located to the south of the Revuboe River and to the east of the Zambezi River. Tete also hosts operations owned by Indian company Jindal and Brazilian mining giant Vale, among other smaller operators. The Mualladzi resettlement community borders the Cateme community, which comprises 716 households that were relocated to make way for Vale's Moatize mine.⁴⁶ Mualladzi is 50 kilometres north east of Capanga.

The location of a resettlement site is a critical factor in achieving a "successful" resettlement outcome, including livelihood restoration. In the case of the Benga mine, the RAP indicates that eight resettlement sites were considered. Two of these were free of any exploration licences, one of which was Mualladzi. Factors that determine whether or not a particular site is suitable for resettlement include size of available land, land productivity potential, adequate water supply, access to non-farming livelihoods and security of land tenure. However, these factors do not appear to be driving the selection of resettlement sites in Tete — the responsibility for which sits with the Mozambican Government. The speed and scale of mining development in this area, and the rapid and extensive issuing of licences and concessions, suggests that land availability, rather than suitability, is the primary factor influencing government decisions about site selection. This is the case for Mualladzi.

Upon acquisition of Riversdale, Rio Tinto indicated that the Benga mine would be subject to its full suite of corporate policy commitments, including its Guide to Business Conduct and policies on human rights and communities.⁴⁷ However, acquired businesses have 18 months to comply with the company's Communities Standard, including the

completion of a human rights impact assessment (HRIA). As a founding member of the International Council of Mining and Metals (ICMM), Rio Tinto is also required to implement the ICMM's Sustainable Development Framework. This includes integrating a set of 10 flagship principles and six supporting position statements into corporate policy. The ICMM does not currently have a position statement on resettlement as it does for other key topic areas, such as *Indigenous Peoples and Mining*, *Mining Partnerships for Development and Mining in Protected Areas*.⁴⁸ The principles simply require that member companies "minimise involuntary resettlement and compensate fairly for adverse effects on the community where they cannot be avoided".

On the issue of resettlement, Rio Tinto's Communities Standard states: "The goal of resettlement is that the livelihoods of those resettled will be improved over the long term. Our intention is that resettled people will be better off over time as a result of resettlement — according to their own assessment and external expert review." Rio Tinto's more detailed guideline on resettlement and compensation outlines a number of key principles of successful resettlement, including that "livelihood improvement programmes are agreed with resettled and host communities, prior to resettlement" and further, that there is "real time monitoring of livelihood activities and production during the resettlement period to ensure no income/production/food security gap emerges".⁴⁹

Rio Tinto's standard refers to the International Finance Corporation's Performance Standard 5 (IFC PS5) on Land Acquisition and Involuntary Resettlement (2012). IFC PS5 aims to avoid involuntary displacement or eviction, and to anticipate, avoid and minimise adverse social and economic impacts including by ensuring that resettlement activities are implemented with disclosure of information, consultation, and the participation of project-affected people. With respect to livelihood restoration, IFC PS5 requires that livelihoods of displaced persons are "restored or improved".⁵⁰ The original RAP prepared by Riversdale claims to be aligned with IFC PS5.⁵¹

The original Riversdale RAP remains in place. As a formal update has not been lodged with the government, the current RAP (to which ICVL is bound) does not reflect either the scheduling delays or actual numbers of resettled households, which became 40% larger than original estimates. Nor does it reflect the resettlement risks that Rio Tinto representatives told the study team they identified and responded to during the company's due diligence processes during acquisition and the post-acquisition period.⁵² Rio Tinto representatives indicated that they had

⁴⁵ Aaboe, E., and Krings, T. (2013) Natural Resource Management and Extractive Industries in Mozambique: A UN Mozambique Study. Maputo: UNDP, (p. 68). Available at: <http://mz.one.un.org/eng/Resources/Publications/Natural-Resource-Management-and-Extractive-Industries-in-Mozambique-A-UN-Mozambique-Study>

⁴⁶ Vale moved other families to urban areas. The total number of resettled households was 1,365. Ibid footnote 13, p.44.

⁴⁷ The full list of Rio Tinto policies, standards and guidance is available at: <http://www.riotinto.com/aboutus/policies-standards-and-guidance-5243.aspx>

⁴⁸ For an overview of the ICMM Sustainable Development framework, including a list of Position Statements, see: <http://www.icmm.com/our-work/sustainable-development-framework>

⁴⁹ Rio Tinto. (2011) Resettlement guidance. Available at: http://www.riotinto.com/documents/Resettlement_guidance_2011_2014.pdf Rio Tinto also has guidance notes on gender, compensation and benefits, community complaints and grievances, among others.

⁵⁰ IFC. (2012) Performance Standard 5: Land Acquisition and Involuntary Resettlement. International Finance Corporation. Washington DC: IFC. Available at: http://www.ifc.org/wps/wcm/connect/3d82c70049a79073b82cfaa8c6a8312a/PS5_English_2012.pdf?MOD=AJPERES

⁵¹ The original RAP referenced the previous version of IFC PS5 from 2006. Ibid footnote 4.

⁵² Rio Tinto expanded the food assistance program, for example, from three to 12 months.

gone beyond the RAP to address livelihood restoration issues and align resettlement practice with its corporate standards. However, it was not possible to formally verify this, as the study team was not provided with or otherwise able to access supporting documentation (for example, risk assessments, revised program plans or budgets) to confirm these statements.

Prior research on the Benga mine suggests that significant social performance gaps should have been known by the time Rio Tinto assumed management responsibility for the mine through its own due diligence process. Resettlement practice in Tete received strong criticism from civil society groups in 2012, immediately after Rio Tinto's acquisition of Riversdale. Two reports focusing on mining and resettlement in Mozambique were released: *Coal Versus Communities in Mozambique: Exposing the Poor Practices by Vale and Rio Tinto* by Southern Africa Resource Watch report; and *What is a House Without Food? Mozambique's Coal Mining Boom and Resettlements* by Human Rights Watch.⁵³ These reports drew attention to issues of food and water insecurity, poor quality housing and lack of infrastructure, and lack of employment and economic development opportunities, including at the Benga mine. The reports followed a series of protests by people relocated by Vale to Cateme. Protesters blocked the Sena Railway that is used to transport coal to the Port of Beira, drawing attention to their poor living conditions.

In order to situate the voices of people relocated by Rio Tinto as part of the Phase Two relocation at Mualadzi, a timeline of events is presented on page 9 in Figure 1. Table 1 on page 10 highlights four distinct periods including:

1. preparation of the RAP and commencement of resettlement under Riversdale (2009–2010);
2. acquisition of Riversdale by Rio Tinto and continuation of the resettlement plan implementation (2011);
3. resettlement continued under Rio Tinto and performance attracted international attention (2012–2013); and the
4. sale of the mine (and other assets) by Rio Tinto to ICVL and the passing on of responsibility for livelihood restoration and the final relocation (2014). Figure 2 presents numbers of resettled households across the different phases, including the second and largest resettlement phase that forms the focus of this study.

There is a possibility that additional households will be resettled by ICVL in the future if the proposed Zambezi coal expansion project proceeds.⁵⁴ The potential for cumulative impact is not reflected in the timeline.

⁵³ Ibid footnote 13; Kabemba, C. (2012) Coal v. Communities: Exposing Poor Practices by Vale and Rio Tinto in Mozambique. Southern Africa Resource Watch. Available at: <http://www.sarwatch.org/resource-insights/mozambique/coal-versus-communities-mozambique-exposing-poor-practices-vale-and-rio>

⁵⁴ ICVL is currently selecting a consultant to complete the Social and Environmental Impact Assessment and the Resettlement Action Plan. No information was available as to how many households may be resettled.

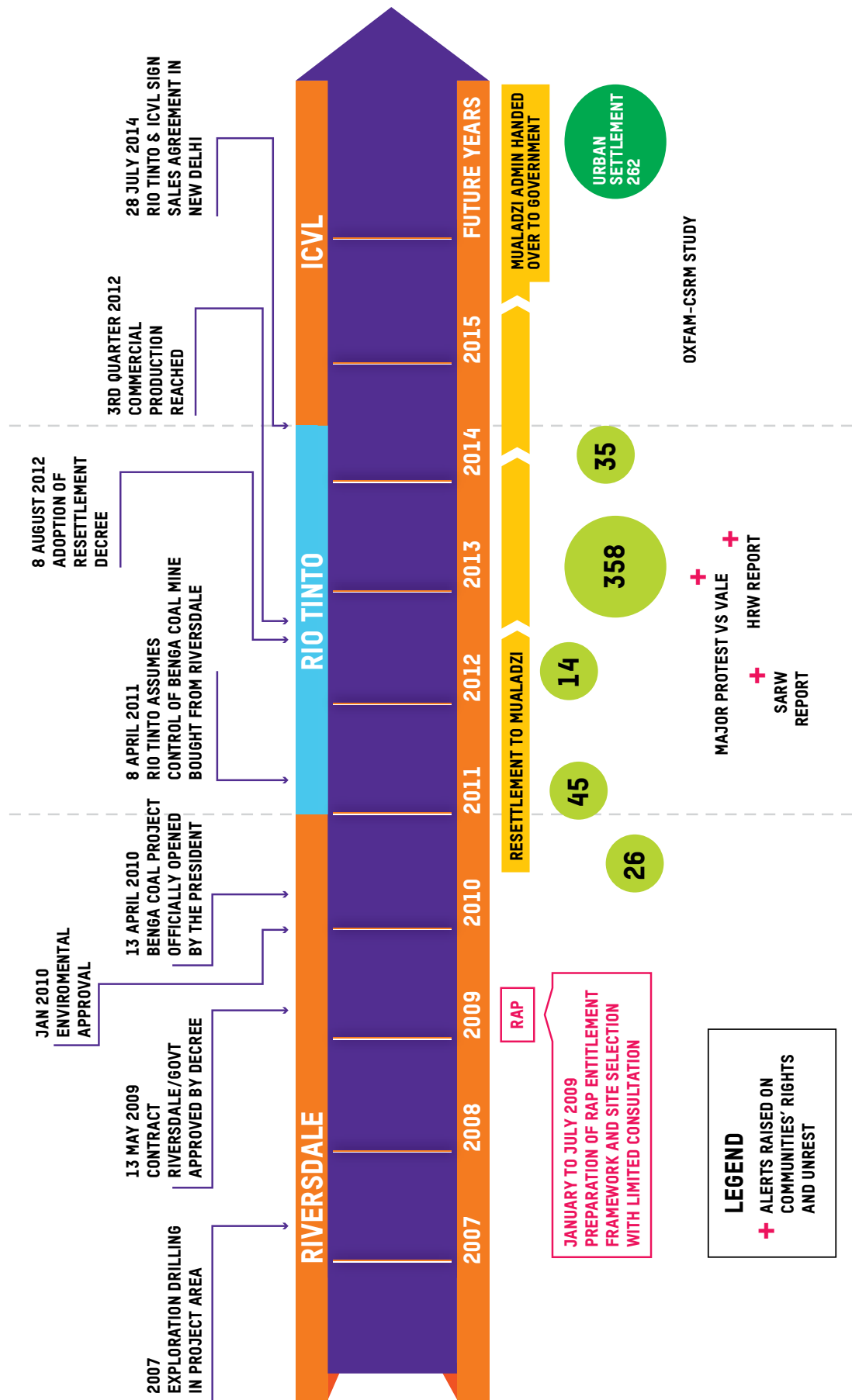


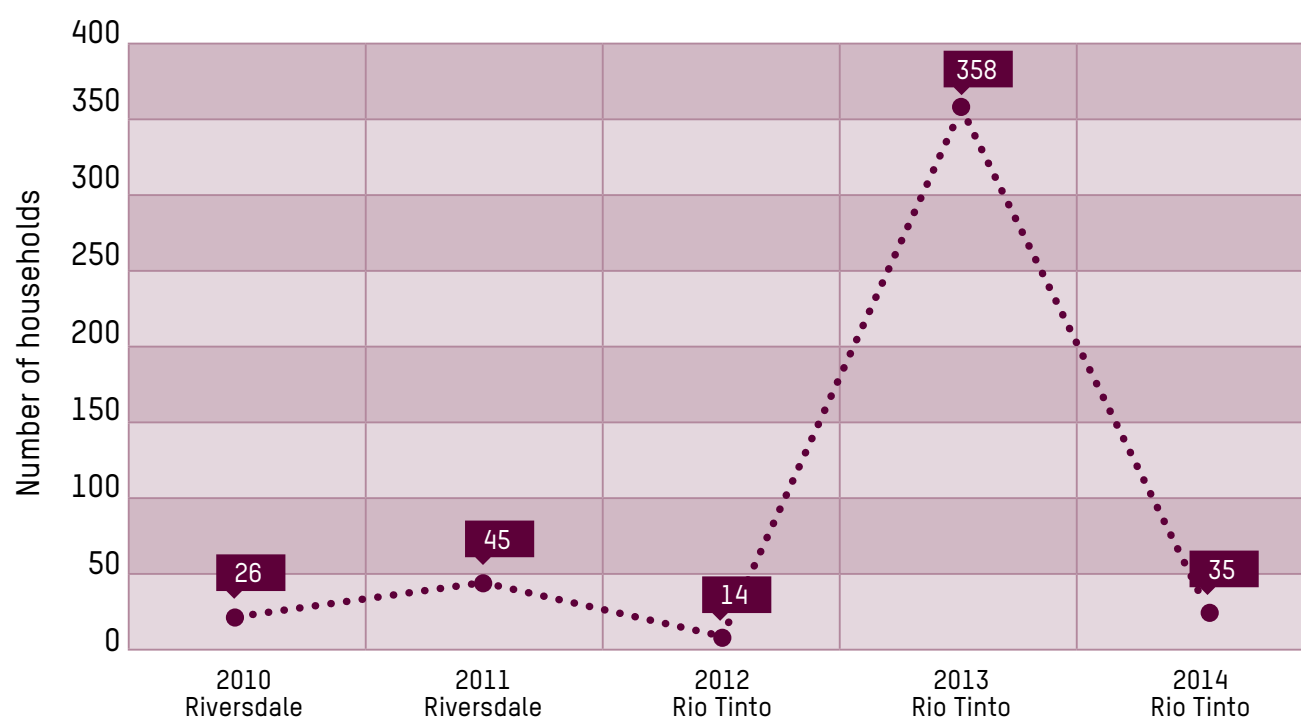
Figure 1: Resettlement timeline

Table 1: Summary of key events for the Benga Coal Mine

1. PREPARATION OF THE RAP UNDER RIVERSDALE. RESETTLEMENTS COMMENCE (2009–2010) <i>Riversdale prepares the original RAP and obtains approval to proceed with a phased resettlement of people living in the Benga coal mine affected area.</i>	
2009	2010
May: Approval of the Mining Contract by Ministerial Decree January to July: Preparation of the RAP October: Submission of the RAP to the Mozambican Government	January: Approval of the RAP as part of the environmental approval process April: Official opening of the project by the President of Mozambique November: Riversdale resettles 26 households to Mualadzi
2. RESETTLEMENT CONTINUES. RIVERSDALE ACQUIRED BY RIO TINTO (2011) <i>After Riversdale initiated the first phase of the resettlement, Rio Tinto acquires the Benga mine and other assets.</i>	
2011	
February: Riversdale resettles 45 households to Mualadzi April: Rio Tinto acquires Riversdale and assumes control over the Benga mine	
3. RURAL RESETTLEMENTS CONTINUE AS IMPACTS ATTRACT NATIONAL AND INTERNATIONAL ATTENTION (2012–2013) <i>Resettlement continues under Rio Tinto. Concerns are raised about living conditions in Mualadzi, including food and water insecurity.</i>	
2012	2013
January: Southern Africa Resource Watch report raises concerns about the adverse impacts of communities resettled by Rio Tinto and Vale March: Rio Tinto resettles 14 households to Mualadzi August: Mozambique's Council of Ministers announces adoption of the Regulation for Resettlement Resulting from Economic Activities 3rd Quarter: Benga mine reaches commercial production	4 April 4 to 28 June: Resettlement of 358 households by Rio Tinto to Mualadzi May: Human Rights Watch report highlights human rights impacts of mining and resettlement in Tete
4. URBAN RESETTLEMENTS COMMENCE AS RIO TINTO SELLS TO ICVL (2014) <i>Rio Tinto completes rural relocations to Mualadzi and initiates the urban resettlement phase.</i>	
2014	
March: Rio Tinto resettles 35 households that had previously been classified as urban resettlement to Mualadzi. ⁵⁵ July: Agreement between Rio Tinto and ICVL to sell the Benga mine and other assets October: Completion of the sale to ICVL November onwards: Urban resettlement still being finalised	

⁵⁵ This reclassification was at the request of the households.

Figure 2: Number of resettled households

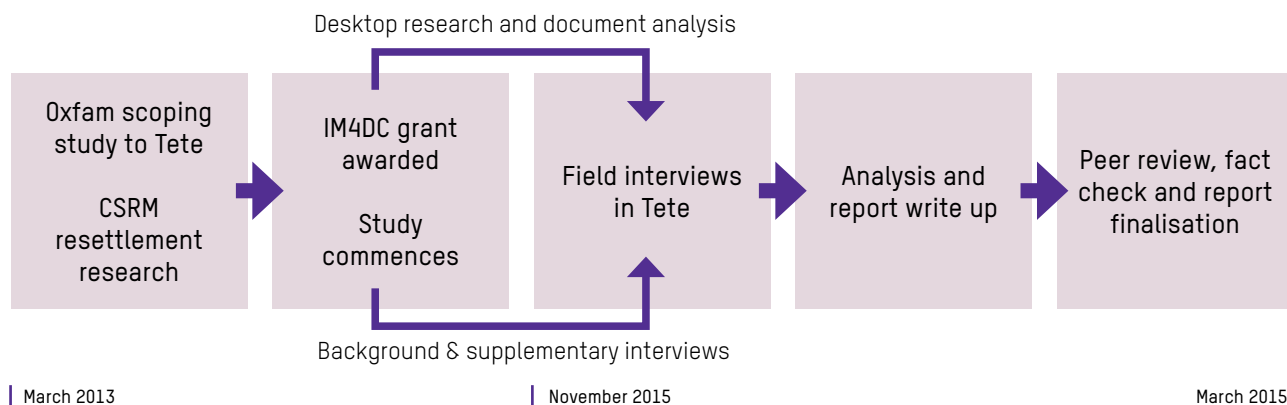


Making and selling charcoal is a common job for many women in Mozambique. This is one of the economic opportunities that women resettled to Mualadzi have lost. Photo: Abbie Trayler-Smith/OxfamAUS, 2014.

3 STUDY DESIGN

This Oxfam–CSRM study employed a qualitative research design using multiple methods and sources. The process was sequenced to provide the study team with adequate context for the week-long field visit to Mualadzi in November 2014. The primary research tool was key informant interviews with resettled people to emphasise their “voice”. Desktop research and a series of background and supplementary interviews provided additional information. Figure 3 provides a visual overview of the study design and timeline.

Figure 3: Study design and timeline



3.1 Local partner involvement

This study was planned and undertaken by Oxfam, CSRM and two Mozambican organisations: the Associação para Apoio e Assistência Jurídica a Comunidades (Association for Legal Assistance and Support to Communities — AAJJC) and União Provincial de Camponeses de Tete (Tete Provincial Farmers Union — UPCT).⁵⁶ The involvement of local partners was integral to the project design as a participatory listening project. Partners were identified during Oxfam’s initial scoping study to Tete in 2013.

Local partners contributed to the development of the methodology, sampling criteria, research protocols and the recruitment of research participants. They also led the field interviews to enable discussion in the first language of community members. Ahead of the fieldwork, all members of the research team participated in a workshop to ensure a shared understanding of social research methods and ethics, including requirements for securing informed consent from interviewees.

Given the complex nature of the research, both Oxfam and CSRM were represented in the field by two senior and experienced members of staff who had previously undertaken work and research in Mozambique. Oxfam and CSRM provided mentoring support and oversight during interviews to ensure that high standards of data collection were maintained. CSRM and Oxfam representatives were present during all interviews and asked supplementary interview questions where appropriate.

3.2 Desktop research

The desktop phase of the research focused on gathering information prior to the fieldwork. Source documents include the RAP, academic literature, news articles, corporate media releases, annual reports, documents from international organisations such as The World Bank, civil society reports and the national regulatory framework. Rio Tinto provided the RAP to the study team at their request as it is not easily accessible in the public domain.

Beyond public domain information, the study team had difficulty accessing precise responses to specific requests for information about Rio Tinto’s and ICVL’s approach to resettlement at Mualadzi. Details on the livelihood restoration program and alternative farming programs were particularly difficult to access. According to Rio Tinto, the sale of the Benga mine as an ongoing concern to ICVL meant that the provision of information was more limited than under normal operating circumstances. Rio Tinto and ICVL did, however, provide information about numbers of resettled households, baseline indicators and other general information. They also confirmed that US \$50 million had been spent on the rural resettlement program. It was initially estimated to cost US \$26.1 million.

There were other constraints to sourcing background information. Rio Tinto was not able to share any part of its social due diligence for the Riversdale acquisition, which the company considered to be commercial in confidence. Likewise, details of a human rights assessment undertaken by the Danish Institute for Human Rights (DIHR) were subject

⁵⁶ See Section 7 for more information about partner organisations.

to strict confidentiality conditions. Despite Rio Tinto's human rights guide that advocates transparency in human rights assessments, the study team was not able to access the DIHR study in whole or in part. Rio Tinto explained that the study was for internal audit purposes only, notwithstanding that a former corporate representative had earlier indicated the intention was to make the human rights assessment available. There are increasing calls by civil society groups for greater transparency and independent scrutiny of human rights assessments. In a recent report, Mining Watch Canada

and Rights and Accountability in Development argue that there is limited value in human rights assessments if they are produced only for internal consumption as part of a legal compliance exercise.⁵⁷ Finally, while Rio Tinto shared a set of baseline indicators that were being used to monitor RAP implementation through household surveys, it was not possible for the study team to discern a comprehensive approach to monitoring resettlement risks or "success". Monitoring reports were not made available to the study team.

3.3 Interviews

Three types of interviews were conducted for this study:

- background interviews for the purpose of understanding context;
- interviews in Mualadzi with people resettled by Rio Tinto in Phase Two; and
- supplementary interviews in Tete.

The table below provides an overview of the sample. Each type of interview is then outlined in the sections that follow.

Table 2: Overview of the interviews. The core sample is shaded blue.

Type of interview	Male	Female	Total
Background	1	6	7
Resettled people – individual interviews	11	10	21
Resettled people – number participating in group interviews	22	15	37
Supplementary	7	3	10
Sub-total	41	34	75

Note: Informal discussions were held with a number of people resettled in Phase One. These discussions provided valuable context for the study. These voices have not been included in Section 4, other than where specifically stated.

3.3.1 Background context interviews

Background interviews were conducted before the field visit to enhance the study team's understanding of context and to check data and other facts. A total of seven interviews were conducted with international NGOs, Rio Tinto corporate representatives, company consultants and other researchers. These interviews were conducted in person, via Skype, telephone and/or email correspondence, often involving multiple exchanges.

3.3.2 Interviews in Mualadzi with people resettled in Phase Two

Interviews and group discussions with 58 people resettled by Rio Tinto in Phase Two represent the study's core sample.

The study team completed a total of 21 in-depth individual interviews and four group discussions with 37 key informants at the Mualadzi resettlement site and surrounding fields. These are the voices presented in Section 4.

As the fieldwork was conducted with high degrees of visibility, anonymity for interviewees was not possible. Many of the individual interviews were observed by family or friends. Group interviews attracted other curious onlookers who wanted to listen. People who looked on but who did not participate in the interview were recorded as "observing". In addition to the core sample of 58, between 50 and 60 people were noted as observing at different points in the interview process. While observers may not have given their voice in interviews or group discussions, their attendance and participation did enhance the inclusiveness of the process, which given the sensitivity of the topic, is itself important.

Selection criteria

The core sample was selected based on criteria that helped to facilitate the participation of female and male elders, household heads and young adults, and other women who were moved by Rio Tinto in Phase Two of the resettlement between April and June 2013.

The recruitment strategy relied on local partners to introduce the study team and explain who they were interested in talking to and why. Interviews were:

- pre-arranged by local research partners
- pre-arranged by village leaders; or
- impromptu and unplanned (arranged on location and on the basis that interviewees were willing, available and met the agreed selection criteria).

Interview protocols

As indicated, data were collected via individual and group interviews. Interviews were conducted in the local dialect of Nyungwe or Portuguese and translated into Portuguese or English. A semi-structured interview protocol was applied for all interviews. Key areas of inquiry included:

- changes to people's way of life
- changes to livelihoods
- food and water security
- livelihood restoration
- influence on decision-making
- experiences of raising concerns with company and government; and
- expectations for the future.

⁵⁷ Coumans, C. and Feeney, T. (2014) Privatized Remedy and Human Rights: Re-thinking Project level Grievance Mechanisms. Mining Watch Canada and Rights and Accountability in Development. Toronto, Canada: Available at: http://www.miningwatch.ca/sites/www.miningwatch.ca/files/privatized_remedy_and_human_rights-un_forum-2014-12-01.pdf

In Mualadzi, interviews of between one and two hours were conducted, either outside people's homes or at common meeting areas, such as the *machamba* (fields) cultivated by women or a *boma* (large roofed structure for community meetings). During the interviews at Mualadzi the study team visited the fields, demonstration farming sites, the chicken and pig restoration projects, water pump sites and food storage huts.

Data collection and analysis

Detailed interview notes were handwritten, and then typed up after the interview. Interview responses were checked and confirmed during the study team's daily debriefings. Data collection was managed by CSRM.

Interviews have been analysed on a thematic basis. In the findings section, direct quotes are used to support particular points of analysis only where they do not reveal the identity of the interviewee.

3.4 Challenges in the field

There were several practical challenges to undertaking the study. For example, the time available for fieldwork data collection was limited to one week.⁵⁸ One strategy used to maximise time in the field was to run two parallel interview teams. Availability and willingness of youth to speak in the presence of elders was also somewhat of a constraint. The team ensured that they visited women who were working the fields to better enable their participation, although there were other occasions where women's voices were dominated by men. This was sometimes difficult to manage and was handled with sensitivity. Women and youth were encouraged to speak, but this was not always possible.

There were also language challenges. Translation from Nyungwe to English was possible for one team, whereas the other team worked from Nyungwe into Portuguese and then English. In their daily de-briefs, both teams ensured that all interview notes were cross-checked for accuracy



Listening to the voices of women in Mualadzi. Interview conducted by Dorica Amosse Nota, Tete Provincial Farmers Union.
Photo: Serena Lillywhite/OxfamAUS.

Informed consent

In all cases, research participants were informed about the purpose of the study and invited to provide their full consent before participating. Interviewees were made aware that the information they provided would remain confidential to the Oxfam–CSRM study team.

3.3.3 Supplementary interviews in Tete

A total of 10 supplementary interviews were conducted in Tete, including with local NGOs, government officials and ICVL (formerly Rio Tinto) community relations staff.

and to ensure that transcripts were as complete as possible. The nature of translation meant that there were two teams of three people, which on occasion took some time for interviewees to feel comfortable and was perhaps the reason why they preferred friends or other family members to be present.

A further challenge was the participation of community leaders. While three community leaders formally participated in the research, it became apparent that there was tension and mistrust of community leaders by many people and this influenced how some responses were framed. Finally, efforts were made to ensure that interviewees and other people were not put at risk by engaging with the study team. Some interviewees were nonetheless cautious about expressing their views. The involvement of local partners enhanced the study team's ability to build rapport and gain trust.

⁵⁸ While fieldwork data collection may have been limited to one week, this study draws on an Oxfam scoping study to Tete province in early 2013 and subsequent engagement with Rio Tinto representatives. This included engagement with corporate representatives and the Rio Tinto country office through Oxfam Mozambique. Local partners UPCT and AAAJC were familiar with mining and resettlement in Tete through their work with local communities and CSRM has a dedicated program of research on global mining and resettlement.

4 VOICES OF THE MUALADZI COMMUNITY: PERSPECTIVES FROM RESETTLED PEOPLE

Community perspectives documented in this section of the report must be read in the context of the involuntary nature of the resettlement. At the behest of the state, people from Capanga had no choice but to move to Mualadzi to make way for the Benga mine. In a group discussion, one woman explained: *“We were told we would be moved. We did not want to come. This is a government decision. They gave us papers saying that we have to move”*. Similarly, a female elder and head of household said: *“The government told us we had no choice. The district administrator came and said everyone has to move because the project is going ahead. There was no consultation or discussion, they just told us the decision that was taken.”*

This section is structured as follows. The first and second sections outline issues of food and water insecurity, followed by loss of economic opportunities. The third section outlines a range of costs carried by resettled families. The dynamics of social fragmentation are described in the fourth section. Sections five and six outline the related issues of limited access to information and deficiencies in the remedy processes, as understood by people resettled in

livestock was pumped from the Revuboe River to adjacent farms by diesel generator pumps. They also explained that families had reliable access to water for household and agricultural needs. Interviewees said that in Mualadzi, their situation is vastly different — citing water supply as inadequate. One woman said: *“The water system is not reliable. When I go to town, I stop on the way to do the laundry [at the river].”* In terms of availability, one young man



Drinking troughs built for cattle are used for household use due to insecure water supply. Photo: Serena Lillywhite/OxfamAUS.

Phase Two. The seventh section captures issues associated with lack of trust between stakeholders, including matters that are internal to the community and have bearing on the experience of resettlement. The final section covers issues of low capacity, including people’s ability to recover from the trauma of resettlement.

4.1 Water and food insecurity

4.1.1 Water insecurity

Interviewees indicated that their life is more precarious than it was before arriving at Mualadzi. Participants stated that there is not enough water for daily needs. Prior to resettlement, interviewees said that they could rely on the Revuboe River, even in the dry season. The RAP describes a range of water-related issues in Tete province, but notes that water availability from the river at Capanga is reliable. Interviewees explained that at Capanga, water for crops and

explained: *“There is not enough water for the animals, or sometimes even for us.”*

The RAP indicated that water would be an issue at Mualadzi. The RAP originally committed Riversdale to the provision of infrastructure, but was not specific on the timing. In Phase One, families were moved to Mualadzi before basic amenities, such as standpipes, storage tanks, boreholes and water pumps, were in place. People moved in Phase Two had better access to water infrastructure, but it still proved to be inadequate. As an interim measure, Rio Tinto trucked water into the community for a period of time in 2013. This did not address water shortages as the contractor was unreliable and the community was often left without water. Water infrastructure was eventually installed, including hand pumps, electric pumps and motion sensor devices on watering troughs.⁵⁹ Noting a new reliance on technology, one young woman explained: *“Here we depend on pumps for water but there we had the river for all our needs. We had enough water for everything.”*

⁵⁹ The sensors were designed to initiate water flow when livestock approached.



Families used to farm a variety of vegetables on the fertile banks of the Revuboe river. Photo: ©2013 Samer Muscati/Human Rights Watch.



Demonstration plots to trial different cropping techniques and mulching. November 2014. Photo: Serena Lilywhite/Oxfam AUS.

At the time of the study the motion sensors were not functioning well, and only four of the 11 electric pumps were working due to damage from the erratic supply of electricity. ICVL staff explained that new pumps were on order from South Africa, despite initial disagreement between Rio Tinto and ICVL as to which company should pay. To cope with the level of water insecurity, a male head of household explained that families keep a store of water at home for when pumps break: *"Otherwise, we could be several days without water to drink or wash."* There also appeared to be a level of dysfunction in the usage patterns of the water infrastructure. One man complained: *"Getting water for my cattle is very difficult and they don't have enough to drink. The place that was built for the cattle to drink is being used to wash clothes and cooking dishes."*⁶⁰

The study team interviewed a senior representative from the Department of Agriculture who also served on the Tete Provincial Resettlement Committee. He recognised that the water situation at Mualadzi was untenable. He outlined a plan to pump water from the river to Mualadzi that he said had gone to tender. The plan to pipe water from the Revuboe River was not mentioned by people who were interviewed for this study. In fact, several interviewees said that the issue of water had been raised with the government, but that there had been no response. Reference was only made to commitments made by both Riversdale and Rio Tinto to build a water catchment facility or dam in Mualadzi (near a small spring). Several interviewees considered this to be an unfulfilled commitment, although the study team could not validate that a formal commitment had been made.⁶¹

4.1.2 Food Insecurity

In terms of food insecurity, most interviewees said that their families did not have enough food and reported being hungry. In Capanga, people said they were self-sufficient, with two harvests per year and substantial food stores. One young woman explained: *"Where we lived before we could produce in all seasons. In the rainy season we produced in the highlands and in the dry season we produced on the riverbank. Back there, we had food for the whole year."* Likewise, in a group interview, another woman said: *"We used to produce vegetables in the dry season as well as the wet season."* A female elder explained: *"We used to produce enough food for one to one-and-a-half years, even when the rainy season was not good. In a good year we could even produce enough for two years."* There was great concern among interviewees about the lack of food stores. One woman said: *"Our food stores are empty ... we have nothing in storage anymore."* Others reiterated: *"Here we do not have food stored, even for a few months."*

In their previous location, people could grow a variety of vegetables by making use of higher lands in the two seasons. A secure, diverse diet has not been restored in Mualadzi. One woman said: *"On my land I can only produce beans, it's not enough. We cannot eat beans every day."* Others explained they had only been able to produce beans and pumpkin. Many interviewees said that their family was hungry because they do not have enough food. One woman said: *"The children are just sitting because they are so hungry. They are not running around and playing like they used to."* Another said: *"There is hunger here."* One woman went as far as to say that many people feel like they were *"brought here to die."*

⁶⁰ Interviewees explained that when soap is used in the watering troughs, and cattle drink soapy water, it makes them sick. Having animals drinking where washing took place at Capanga was not such of an issue because soap was diluted and carried away by river currents. Further, they indicated that washing dishes and clothes where cattle drink was a human health concern.

⁶¹ The RAP makes reference to a dam being necessary to impound the amount of water necessary, but does not commit to construction.



Women and children sheltering from the heat after working their fields in Mualadzi. Photo: Serena Lillywhite/OxfamAUS.



People from Mualadzi sleep in temporary shelters by the side of the road to collect and sell stones. Photo: Serena Lillywhite/OxfamAUS.

Interviewees explained that since arriving at Mualadzi, some families had tried to work the land, but had not been successful. Poor soil quality and lack of water were the two most frequently cited causes of crop failure. Interviewees made frequent comparisons between the fertile land at Capanga, and the harsh soil of Mualadzi. In one of the group interviews, participants said that the soil quality was so poor that it would only produce with significant inputs of fertiliser. There was a common view among interviewees that it would take between two to three years before the land would be productive. One woman said: *“Here the soil is a problem. It takes more than two years to produce. We never had that problem before.”*

The Provincial Director for Agriculture stated in an interview with the study team that the soil at Mualadzi was the same as in Moatize. He said that rates of food production should be no different between the two locations because *“the soil was the same”*. Former Rio Tinto staff, now ICVL staff, suggested that food production would eventually improve once people learned different farming techniques *“to cope with the different soil”*. The RAP states that resettled people should have access to replacement land of “equal productivity” to that which has been ceded, which was to be “mutually agreed between recipients [resettled people] and the developer”. However, there was no agreement between the regulator and the developer on the issue of soil quality, and no mutual agreement on this issue between these parties and recipients.

While this study is focused on the Phase Two resettlement, the study team interacted with a number of people who were resettled in 2010 (during Phase One.) Two of these people indicated that they had initially struggled to re-establish their farms, but had been more successful in their most recent harvest. They said they were more food secure

than they were when they first arrived at Mualadzi.⁶² The study team is not in a position to determine whether this is indicative of how others from Phase One are faring, but this is an important aspect to monitor.

4.1.3 Exacerbating factors

In addition to the physical environment, a number of other factors seem to have exacerbated food insecurity at Mualadzi. The first issue relates to the timing of the Phase Two relocation. Rio Tinto representatives explained to the study team that the Phase Two relocation was timed to occur after the harvest at Capanga, and before the planting season in Mualadzi. Nonetheless, there was a widespread view among interviewees that the Phase Two relocation occurred too late in the planting season.⁶³ A female elder said: *“Our fields here are not producing. We tried to produce when we arrived last year but it was too late in the year for planting.”* During a group interview, another said: *“Last year they tried to teach us how to improve the land, but they came too late in the season, even with fertiliser. The company did give us seeds, but they did not germinate and grow.”* And from a male head of household: *“Here we have not produced anything because when we arrived last year, it was too late in the year for planting. We had no time to produce.”*

A second factor that has exacerbated food insecurity relates to people’s preparedness. Many people appear to have been unaware of what their new environment would be like. A number of families brought their irrigation pumps, for example, only to discover that there was no water source to pump from. Others did not realise that they would have to use different farming techniques such as fertiliser to prepare the soil for planting and mulching to conserve water. As a result of food insecurity, all families have relied on handouts from the company for food staples and basic necessities (including dried fish, maize, flour, rice, cooking

⁶² These two people are not included in the core sample.

⁶³ Timing of relocation was also an issue with the Phase One relocation initiated by Riversdale.

oil and soap) for longer than necessary had the first harvest been successful. As one woman explained, this forced dependency is not appropriate: *"We don't like to be seen as beggars. We were not beggars before so why should we beg now? It is because we have no food."*

The RAP states that the company would provide resettlement "starter packs" and ongoing food assistance to each household for a period of three months, which Rio Tinto extended to 12 months.⁶⁴ However, several interviewees indicated that the length of time that food baskets were provided was not adequate. One woman explained: *"They stopped giving us food before the farming season had even started."* Whatever the duration, people feel vulnerable and dependent on the company. A widow said: *"For a woman like me with no husband, I cannot do farming. I am completely dependent on the company now."* Other women indicated that they could no longer grow food for their family and had become more dependent on their husbands. One said: *"The change has been for the worse. I am now dependent on my husband. Before I had my own money from selling stones and sand, and informal trade."* At the time of the study all food assistance had ceased, despite ongoing food shortages and hunger.

The issue of 'food baskets' was raised with Rio Tinto, but information provided to the study team only re-iterated stated commitments rather than clarifying the situation on the ground. During the study, an ICVL representative (formerly Rio Tinto) indicated that the provision of food baskets had ceased because the company did not want the community becoming dependent on them for handouts. Their focus was on the demonstration programs to encourage people to adapt to the new environment.

4.2 Loss of economic opportunities

As much as subsistence agriculture was a significant part of life at Capanga, interviewees said they had also engaged in a range of other activities for supplementary income. These activities included brickmaking, cutting firewood, producing home made goods (for example, brooms and brushes), fishing, making charcoal, collecting and selling stones and digging sand from the riverbed. Some of the young men had been employed in construction and other jobs in Moatize. Women were able to sell vegetables and other produce at roadside markets. A group of young adults said that with the move to Mualadzi they had *"lost the business we could do"*. A male elder explained: *"In Capanga, even the older people could do something, like breaking stones or collecting firewood. I used to make about 3000 MTZ doing this."*⁶⁵ At Mualadzi, small-scale economic opportunities have been all but lost — there is virtually no local economy.

A local community market facility was built with support from Rio Tinto, but did not prosper due to lack of passing trade and minimal cash flow within the community. Women said that if they want to sell anything, they need to go door-to-door. To engage in market activities, people travel more than 40 kilometres to Moatize at their own expense. Aside from working as farm labourers on other people's fields, a group of male youths explained: *"Here, there are no jobs at all ... and we have lost the other business we could do, selling fish,*

charcoal, collecting sand, making bricks." A group of women agreed: *"The situation here is not good, there is nothing to do, just sitting. There is no food and no work."*

Jobs were a primary concern for most respondents. Youth and adults alike said they wanted employment opportunities for themselves and their children, and access to training and education. One young man stated that: *"Jobs are the most important thing for the future of the community."* Some interviewees said they saw outsiders being employed by the company — both in the mine and to undertake construction and maintenance work in their community. A group of young men said that they have never known of a young person from Mualadzi to be employed by the company. The RAP discounts direct employment with the company as a livelihood restoration option, stating that employment could not be guaranteed, largely due to the distance between Mualadzi and the mine. Some people have started travelling away from Mualadzi for days at a time in order to access economic opportunities, often sleeping on the roadside, or wherever they can.

Investing in economic opportunities is central to the issue of livelihood restoration. A RAP document should provide a reference point for communities and other stakeholders to understand a developer's approach on this matter. The Benga RAP offers only a preliminary framework as it contains limited detail on the approach to livelihood restoration, including food security and income generation. The primary emphasis is on compensation for land and other tangible assets. The RAP lists several potential livelihood options, but no firm commitments are made in terms of infrastructure, investments or programmatic support. According to the RAP, a livelihood restoration plan was to be finalised during latter stages of resettlement, following further evaluation. The RAP does not include indicators for "restoration" or "improvement".

The study team requested a copy of the livelihood restoration plan from Rio Tinto, but it was not made available. In various interviews, Rio Tinto staff at the corporate and site level referred to different activities, such as a chicken program, pig program, conservation farming techniques, mulching, new seed varieties, demonstration plots, and training for the community. The study team saw evidence of these activities in the field. However, in the absence of a plan, it is difficult to understand the company's strategy, including its approach to community participation, the degree to which livelihood restoration initiatives address risks and impacts, and beyond that, whether practice is aligned with the plan itself. Interviewee data suggests that the pig and chicken programs were not meeting expectations and had not succeeded as a livelihood restoration strategy.

In lieu of a formal plan, the study team requested information about performance indicators. As noted earlier, baseline indicators were shared with the study team, but indicators of resettlement "success" were not provided. During the fieldwork, it was apparent that interviewees were not aware that the company had any performance indicators; nor were the interviewees actively involved in any kind of monitoring process (although they did discuss a range of implementation challenges, which are elaborated on

⁶⁴ The RAP required only three months of food assistance. Based on the experiences of the first group of 85 families that initially received three months of food assistance, Rio Tinto extended the period in Phase Two from three to 12 months (including for the initial 85 families) due to the level of food insecurity.

⁶⁵ Approximately US \$88.



Economic opportunities, such as collecting sand from the Revuboe River, have been compromised or lost.
Photo: Serena Lillywhite/OxfamAUS.

throughout this report). In summary, the low rates of success to date suggest that there is a significant gap between the level of impoverishment risk faced by the community and the scope and quality of the restoration program.

4.3 Costs carried by resettled families

One of the known issues of planned resettlement is that the costs are frequently underestimated. When this occurs, communities tend to absorb costs that were not accounted for in the planning process. Interview findings suggest that this is the case at Mualadzi also. Interviewees described how they have had to absorb a range of material costs that primarily relate to transport and food. By failing to account for the full cost of resettlement, the companies concerned have effectively externalised the additional costs of impact mitigation and recovery, in the process putting resettled communities at greater risk of impoverishment. As the government has not addressed the shortfall, it has fallen back to families to absorb certain costs of maintaining their livelihood and social networks.

Transport has become a major cost for resettled families. If people need to travel to the urban centre of Moatize, or neighbouring Cateme, they cover the cost of transport themselves. As part of the resettlement package, every household received a pushbike. However, bicycles have limited utility due to the poor condition of the road and distance to fields and Moatize. Interviewees explained that if they need to travel to Moatize they walk or take a bus to Cateme and from there catch the bus to Moatize. Or they travel by motorbike from Mualadzi. Travelling by motorbike is faster but more expensive, and considered to be dangerous, largely due to the poor condition of the roads. One woman said: *"We have to use a motorbike [to travel to Moatize]. It is not safe like a car, and if you need to travel with children it is especially difficult."* One woman explained that there is tension between Mualadzi and Cateme over the issue of transport: *"Cateme people say the bus there is for them from Vale and we should get our own from Rio Tinto, and not rely on theirs."*

The company provides transport from Mualadzi to Cateme for high school-aged children. However, interviewees said that

the bus is unreliable — it is often late and some days does not come at all. On these occasions, interviewees explained that some children walk the five kilometres to attend high school. For those who do not want to (or cannot) walk the 10-kilometre round trip, the cost of a motorbike ride can be prohibitive. In an individual interview, a female elder said: *"The company promised transport to the [high] school, but it is unreliable and not coming anymore. The secondary students are missing days of school."* In a group interview one man added: *"The transport to [high] school is unreliable. Even this week they [students] were meant to do exams, but some missed them and will probably fail."*

Interviewees also said that they cover the cost of transport to Moatize or Tete city for medical assistance, and to visit family members who remained in Moatize and Capanga. There was much discussion about the inadequacy of the clinic in Mualadzi, provided as part of the resettlement package. Interviewees said that the clinic does not always open, and on days when it does, it is only open until 10am. There is no emergency or after-hours service and apparently limited medical supplies, which need to be sourced from Moatize or Tete city. There were several reports of families struggling to subsist and work the fields as they juggled family illness and caring responsibilities with the increased time and cost associated with travelling to the urban centre for medical attention. Interviewees said that from their previous location at Capanga, medical facilities were accessible and the service better than in Mualadzi.

The time required to travel to fields located at greater distances from homes is another cost borne by resettled families. As part of the resettlement package, each family was entitled to two hectares of land. The first hectare is located close to homes. Households accepted cash for the second hectare in order to secure plots with better quality soil and access to water than what was being provided. These plots tend to be a greater distance away from homes. Due to the distances involved, some family members spend days at a time at the second plot. One male head of household explained: *"My machemba [field] is far away. It takes two hours to get there by bicycle. I normally go and stay there for several days and then come back."*

A female head of household pays others to work on her second plot while she works on the plot close to her own home in order to continue caring for her family. For those families who accepted cash for their second hectare, some certainly purchased land, whereas others used the money to purchase a motorbike to improve access to Moatize and other locations. Others bought food, medicine, clothing and household essentials.

4.4 Fracturing of community

There was a strong sense from interviews that people's social networks and livelihood patterns have been significantly disrupted by involuntary displacement. There was a general feeling of being unsettled, with people having lost a sense of place and spirituality. A commonly expressed view was that *"things are not right"* at Mualadzi.

Spirituality was a prominent point of discussion during interviews, particularly the issue of not having a church in Mualadzi. The rebuilding of a church was not part of the RAP, although several interviewees claim that a commitment to build a church was made. In one of the group discussions,



Rio Tinto established a chicken cooperative for selective households. Photo provided by ICVL.



The chicken cooperative model was not successful, November 2014. Photo: Serena Lilywhite/Oxfam AUS.

women explained that for those who pray and believe in God, church is one of the most important things in their lives. One woman said: *"Without a church, it feels like even God has forgotten us."*

Others linked spirituality to the relocation of the cemetery. There was some disagreement within the community about the process by which a site for a cemetery was selected by community leaders. Men from a focus group explained: *"We were given a place to have a cemetery, but it is full of stones, so we are looking for another place. We also need to have a ceremony to bring the spirits of the ancestors to this new place and tell them that we have moved."* At the time of the study, some interviewees reported travelling to Cateme for funeral services.

In Mualadzi, the study team observed that some of the resettlement houses had been abandoned. Interviewees explained that some families have moved out for economic reasons. One group of young adults explained: *"People have left here to go elsewhere to find a job and to earn money for food."* In another interview, an elder male said: *"Many have returned to Moatize, Tete and Chingosa because there is nothing to do here."* He said that it is not clear how many people have left, because some families *"come and go, looking for work"*. People also described feeling physically insecure due to a fear of crime and increasing levels of theft. A male head of household said: *"Here things feel unsafe because we have to go far away to tend the fields and the house is easy to break into."* Several instances of household theft were recounted to the study team.

The loss of access to the river has had a major bearing on patterns of social exchange. Interviewees explained that the river was a key element in the social and economic life of the community. In the past, women would gather at the river to wash, collect water and engage in conversation. The men also had regular meeting spots. Many of these patterns of social interaction have not been re-established in the new location.

An emerging social pattern is that of separation. Participants indicated that their economic conditions made it difficult for families to stay together. People spoke of the need for parents to work away for extended periods of time and children being left with grandparents or other family members in their absence. One woman said: *"I go to the Revuboe Rivier to collect sand and stay in my husband's house with his other wife. I stay for one or two weeks and then come back with the food I have bought. The children stay with their grandmother here because they are going to school."* Husbands and young men were also absent, working at either the second plot of land, in town, or collecting sand and rocks. Another man added: *"The problem is that the fields are far away, in Capanga they were close by."* People indicated that separation was putting pressure on already stressed families.

The relocation from Capanga has also affected relationships more broadly and altered traditional authority and systems of rule. In an interview with the Queen (Rainha) of Benga she advised: *"I have been separated from my people [...] I cannot go to Mualadzi because it is another kingdom. I cannot rule there."*⁶⁶ The intangible aspects of resettlement — including impacts on family and traditional norms — were affecting most people interviewed for this study.

⁶⁶ At the time of the study, the Queen of Benga had not been resettled. She remained on her land with her children, and a small number of other families. Her home was located between the road to the mine and a new road under construction for a second bridge across the Zambezi River.

4.5 Uncertainty and limited access to information

4.5.1 Food insecurity and livelihood programs

Interviewees were uncertain about their future. The discontinuation of food baskets was an immediate concern. No-one seemed to know if there would be any continuing food support. There was also uncertainty about new farming techniques that the company had introduced to secure a supply of food for resettled families.⁶⁷ One woman explained: *"We used the fertiliser for our maize [...] but it didn't produce anything. The company's technicians told us to keep using the fertiliser but no-one is convinced it will work."* One of the men said that the traditional technique was to burn the field to enhance fertility. He said: *"This year the company is telling us not to burn fields and that we must keep any grass. I will use this technique but I will have to wait and see what will happen."*

Rio Tinto had trialled several different cropping techniques. As the community had already faced their first crop failure, people were dubious about the viability of the new techniques. Some interviewees said that mulching was not suitable to the size of the field that they would cultivate. They also explained that some of the demonstration plots are located near a stream where water is accessible, whereas their plots relied on bore holes with a more limited water supply.⁶⁸ ICVL staff on the other hand said that the community just needed to change their mindset and adopt new techniques such as conservation farming if they wanted to successfully grow crops. An ICVL representative said: *"If they use the new techniques, there is no way that they will fail."* ICVL staff suggested that people are too set in their ways and need to be more flexible and try new things. It also became apparent that not everyone had heard about the agricultural trials, or were confused about how the different programs were meant to operate and how (or even if) they could participate.

Rio Tinto had initiated programs for the rearing of chickens, goats and pigs, for example. Initially, the chicken program was established as a co-operative. When this failed, it was remodelled as a household-level program whereby the company would provide some materials for families to build their own chicken huts and receive chicks. However, there was lack of clarity about what materials would be received, who would build the huts, how many chicks would be provided by the company and when. In one of the group discussions, people explained: *"Families who have finished building the hut have not received chicks. It's a lot of work to cut trees and carry timber [to build the huts]. The project is too much work for no benefit."* Others reported they had completed the frame of the chicken house but were still waiting for the company to provide wire and bricks as promised. One of the community leaders explained that of the 25 or so families who had signed up for the program, only one had received chicks. Interviewees also reported issues with the pig program.

There was also confusion about people's eligibility for certain livelihood restoration activities. A male head of household said that he was aware of the chicken program, but was excluded because it was a program for leaders or well-known people, not everyone. Another man objected to leaders gaining privileged access to some of the programs: *"The leaders should be the last to register. Instead they are always at the front and others don't get a chance."* A few of the young people said they were not participating because the company said that only couples could participate, not unmarried people. One young man said: *"We feel that we [the youth] are not being considered."* Other reasons cited for non-participation included that the programs were for earlier arrivals or that the program was already full. In summary, equality of access for livelihood restoration activities is a prominent issue.

4.5.2 Sale of the mine by Rio Tinto to ICVL

The general sense of uncertainty also related to the sale of the mine by Rio Tinto to ICVL. Most people had received some information about the sale — whether through informal village chatter or by attending formal meetings. Few interviewees knew the name of the new owners. Others were present when the general manager from ICVL visited, but were not clear about how outstanding issues were going to be handled, and this was not discussed in the meeting with ICVL.⁶⁹ One of the male elders explained: *"In September the 'big boss' of ICVL came and said that ICVL would take on the commitments made by Rio Tinto. Then, last week there was a joint meeting with ICVL and Rio Tinto. They met every unit and asked us to prepare a list of existing problems that had not been resolved and what new problems there were."* Some interviewees said that making the list would be a waste of time. A female elder said: *"We are tired of telling them these things, and them not doing it. They know what has to be done. I am not telling them again."* And another: *"Rio Tinto will leave here today, but the problems will be here tomorrow."* Yet another female elder said that Rio Tinto had explained that the new company was obliged to address outstanding issues: *"We told Rio Tinto: You know all the problems. Who will solve these problems? Will it be the new company? Rio Tinto told us: We solved some of the problems left behind by Riversdale, and the new company will solve the problems left by us."*

A few people were concerned that community issues would be de-prioritised as ICVL transitioned into the business. In a group discussion, one man said: *"The process of changing companies takes time — at least a year for new staff to understand the business. Who will take care of the community while they are focused on the business?"* It was clear to the study team that during the sale period, Rio Tinto staff were uncertain as to how the new owners ICVL would approach resettlement and other transitional issues (such as who would pay for broken water pumps). ICVL has made public announcements about an ambitious program

⁶⁷ Rio Tinto indicated that the techniques were consistent with technical advice from government specialists and specialist consultants.

⁶⁸ At the time of the study, the stream was dry.

⁶⁹ Former Rio Tinto staff employed by ICVL advised that there had been two meetings at Mualdzi to inform the community of the sale. The initial meeting lasted about one hour and the subsequent meeting three hours. Government representatives were noted to be present at one of the meetings.

of expansion, but has said nothing about ongoing support to the people of Mualadzi, the completion of the urban resettlement phase, or the possible resettlement of more families if the Zambezi expansion project goes ahead.

4.6 Deficiencies in remedy processes

Consistent with IFC PS5, the RAP defines a complaints and grievance process. This framework includes various channels through which the community can register a complaint with the company (for example, lodging concerns via a “complaint book”, via the telephone, in person with a community liaison officer, or via email). A process of escalation is outlined but important procedural detail is missing, such as processes for investigation, joint decision-making, close-out protocols and follow-up. The RAP suggests that in the case of non-resolution, the Ministry of Mineral Resources and Energy can be called upon to mediate, or the case can be taken to court. It also acknowledges that these avenues are “costly, cumbersome and seldom accessible for rural communities”.

In practice, interviewees said that they were unable to resolve their key concerns, although in several instances interviewees described cases where either the government or the company had responded to specific issues, such as road repairs and installation of water bores and hand pumps. One woman said: *“We asked for a hospital and we have one, and we asked for manual water pumps and now they are installing some. We asked for the road to be repaired and now that is in process. But we asked many times for work for our husbands, ourselves and the young people [and received no response].”* A female elder said: *“We spoke to the government about the food situation. They came here and saw that our fields don’t produce. The company also knows we have a food problem. They both know about the problems, but have given no solution.”* Another of the interviewees said: *“We asked the company to come and they listened to our concerns, but we never get answers. We even wrote to the government and the company outlining the problems like they asked us to do, but still no answers.”*

The lack of clarification in the RAP regarding institutional responsibilities is mirrored in practice. A male head of household explained that if they go to the government, authorities say take it up with the company. He said: *“If we ask for an ambulance or water for the fields, the government says it’s not their responsibility and to go and ask the company.”* The process as it stands does not give the community a clear process of lodging grievances or a satisfactory remedy pathway.

It was also clear from the interview process that certain people struggle to find a voice in the public sphere — including some young people (both male and female) and women. The social norms relating to hierarchy and representation were viewed as having a limiting effect on individuals participating in meetings, or raising concerns. One young woman explained: *“I didn’t go to the meetings, maybe my father did and he can answer. Normally only [older and more mature] adults participate in these meetings, young people can never participate.”* The RAP makes provision for vulnerable groups stating that “vulnerable social groups will be specifically provided for” and that “account will be taken of this in the consultation and planning process”, but it was not clear to the study team how the needs of vulnerable groups are considered in

grievance handling or remedy processes. Several women in the community said that despite their interaction with female ICVL community relations staff, there was limited response to the issues that they raised.

Several interviewees said that the only way they would be able to get their issues addressed in the future would be through public protest, blockades and a civil action. There was a sense of helplessness among many interviewees that there was no longer any point in raising issues with the company or the government. A male head of household said: *“Now people are thinking that they need to strike or block the road. The government says to us ‘don’t do this’, but we say ‘look, you didn’t keep your promises. Our situation is serious so we are alerting you by blocking the road.’”* Several interviewees were aware that collective protest had worked for the Cateme resettlement community and said that they would resort to this if they had to: *“Cateme people fought to get transport and a road, we need to do this. We need to fight to get what we want.”* They indicated that protest would be their next step if the new company [ICVL] was not able to resolve some of the issues that they had repeatedly raised with Rio Tinto.

4.7 Lack of trust between stakeholders

Lack of trust between stakeholders was a consistent theme that emerged in the interviews. There was an overwhelming lack of trust in the companies involved in resettlement. In every interview, interviewees cited promises that Riversdale and Rio Tinto had made, or were believed to have made, but had not fulfilled.

Some interviewees said that Rio Tinto had promised them food support until their supply was secure, but support has stopped even though people are hungry. Others said that the company promised to help them re-establish their farm, but help was not forthcoming. Replacement land did not always equate to the size and productivity of that which they had previously held, which was the main issue for some interviewees. Several people said that each household was promised goats that were never received. Others focused on the promise of a small dam, which was not constructed, and the relocation of the cemetery and graves. Failures to provide reliable transport and an adequate road were frequently cited. There was also the promise of jobs for young people that never materialised. A female elder explained: *“The companies are not serious about us. Riversdale and Rio Tinto promised things, but didn’t deliver.”*

Throughout the research process, participants acknowledged that despite a large number of commitments being outstanding, some promises had been met by Rio Tinto. Interviewees acknowledged, for example, that Rio Tinto had undertaken some road repairs, and that a clinic (albeit with deficiencies) and primary school had been built. Some interviewees spoke positively of their new homes. However, aside from housing, which some interviewees found to be better than at Capanga, most people indicated that their quality of life had regressed. In a group interview, one woman said: *“My life has got worse. Having a good house is not a good life. Standing in a queue to get seeds is not an improved life.”* Another said: *“It is only the house that is better, everything else is worse.”*

There was also a distinct sense that the relationship between Rio Tinto and the community had deteriorated post-relocation. A female elder said: *"The company used to speak to us nicely and with respect and promise everything. That all changed when we moved"*. A group of women explained: *"We are used to Rio Tinto's behaviour. They never come with answers to our questions. They only come when there is a rumour of a demonstration. Then they come to keep us calm and say everything is okay. We know not to expect anything of this company."* The women also said of the community relations team specifically: *"We know these people and we no longer trust them."*

In the Mualadzi community, local leaders were not well trusted either. One factor that has contributed to this lack of trust stems back to the selection of the relocation site. Several leaders visited the resettlement site prior to relocation and said it was fine. One male head of household said: *"Before we moved, some of the leaders came to visit Mualadzi. They came back and said 'Mualadzi is okay, there will be good houses there'."* Given the living conditions at Mualadzi, people now feel a sense of betrayal. Before moving, several people said they wanted to be relocated elsewhere, but that the leaders convinced them Mualadzi was better. A female elder said: *"We wanted to be moved to another place called Mwadupaja, but the leaders went there and said it was no good. They told us Mualadzi was better."* Consultation about the location of the resettlement site with other members of the community was limited.

There is also a link between lack of trust and the way in which information is disseminated within the community. A female elder said: *"For people like me, we cannot go to the meetings. We just hear that a group of leaders went and presented some problems. But they never tell us the result or what happened."* A male head of household demonstrated a lack of confidence in the local leadership, and their ability to progress their issues: *"We have had meetings with the local leader, but it was only talking, there has been no action."* Lack of information was also linked to grassroots participation in the livelihood restoration activities. One man said: *"A representative from Rio Tinto told the leaders and then the leaders told us. We did not sit together to discuss and plan."*

Several interviewees expressed a belief that their leaders had been co-opted by the company. One woman said: *"We used to speak with leaders about plans for resettlement and other things, but now we don't trust them. They forgot their obligations to us. They get money and have drinks with the company."* A male head of household said: *"Our leaders are eating with the government and the company and don't care about people's problems."* Others said that this behaviour occurred prior to resettlement. One woman said: *"Leaders were receiving money from the company. But now they are with us, and suffering the same consequences."*

There was a similar level of mistrust in the district authorities who were seen to be "friends" of the company. In a letter sighted by the study team, the Queen of Benga invited the district administrator to visit the Benga community to discuss their issues and concerns about the resettlement

process. The district administrator was said not to have accepted the Queen's invitation. A commonly expressed sentiment among many of the interviewees was that administrative authorities actively avoided the community, while supporting corporate interests.

4.8 Recovery in a low capacity environment

People from Mualadzi are recovering from involuntary displacement in a low capacity environment. The limitations of the physical environment (poor quality soil, lack of water and the isolated location) are detailed in this report. Other limitations relate to the institutional environment. The study team confirmed that there is no active government program to monitor corporate commitments made in the RAP. In the interview with the senior representative from the Department of Agriculture, who is also a member of the Provincial Resettlement Committee, it became apparent that the committee does not monitor RAP implementation.⁷⁰

Interviewees said that the government is only occasionally present, such as during the announcement of the sale of Rio Tinto's assets. At the announcement, the community felt that the government was present to endorse the company agenda, not to represent the community. Despite commitments outlined in the RAP, communities receive little to no support from the government in terms of basic provisioning of services, or maintenance on infrastructure, such as roads. Nor does the government get involved in community complaints and concerns.

Local organisations are limited in their ability to support resettled families cope with such a disruptive form of social change brought about by resettlement. A number of local civil society organisations are providing agricultural, technical and legal support to communities in Capanga, Moatize and Mualadzi.⁷¹ Given the scale of resettlement required to make way for the Benga mine and the intensive nature of support required in the recovery process, local organisations are working beyond their intended capacity with limited resources.

Capacity to take advantage of new opportunities is also limited. For example, as part of the resettlement package, electricity was connected from the provincial grid in Moatize to Mualadzi, via Cateme. Several interviewees explained that they had purchased household goods with compensation money, such as fridges, freezers and televisions, but could not afford to operate them. Many families are not able to take advantage of these types of opportunities because they are not meeting basic survival thresholds. Several interviewees said that the company needed to attend to repair and maintenance in their homes, such as broken windows and toilets, as they have limited cash. People were becoming dependent on the company for basic upkeep on their new homes.

⁷⁰ The Provincial Resettlement Committee is involved in plans to finalise the urban resettlement (Phase Three of the RAP).

⁷¹ Such as the Tete Provincial Farmers Union (UPCT) and the Association for Judicial Assistance and Support to Communities (AAAJC), which collaborated on this study.

5 IMPLICATIONS

5.1 Situation summary

People who were involuntarily resettled to make way for the Benga mine have been significantly disadvantaged. Resettled families had no choice but to move from the fertile banks of the Revuboe River at Capanga, to Mualadzi – a remote location with poor quality soil and an insecure supply of water for personal and agricultural use. This harsh physical environment has put livelihoods at risk, with food security being an immediate challenge. Beyond physical hardship, Mualadzi's remoteness and poor transport infrastructure has reduced access to employment and other economic opportunities. This has further impeded people's ability to support themselves and their families. The stress and trauma associated with forced displacement, including emerging patterns of social fragmentation, are also significant concerns.

Against Mozambique's history of conflict, endemic poverty, and weak state capacity, livelihood reconstruction is a difficult undertaking. This pre-existing context calls for special measures to protect against further impoverishment of already "at risk" people. In light of the background challenges, risk mitigation and livelihood restoration measures at Mualadzi do not appear to be commensurate with resettlement impacts or expressed community needs. State and corporate actors have not adequately accounted for resettlement risks, and without a comprehensive and transparent program of monitoring and evaluation, holding these actors to account is problematic. A lack of participatory monitoring also suggests that the rights and interests of resettled people are not being prioritised.

The perspectives of people resettled to Mualadzi in Phase Two of the Benga mine resettlement raise a number of questions that warrant careful consideration, including what are the factors that have caused or contributed to this situation, what can be done to relieve immediate pressures for resettled families at Mualadzi, and how can similar situations be avoided in the future. This section proceeds by considering some of the key factors that have contributed to the situation in Mualadzi. It also raises a number of issues that relate to ICVL's expansion plans and the future of large-scale mining in Tete and elsewhere in Mozambique.

5.2 Planning failures

According to well-established development literature, most resettlement risks are predictable and can be mitigated if adequately understood and analysed.⁷² Livelihood restoration is an extremely complex process, particularly if undertaken on a large scale, but there is a much better chance of achieving desired outcomes if the process is underpinned by a comprehensive risk identification analysis, which in turn is used to guide prevention and mitigation strategies. Contemporary global standards also recommend that planning processes are participatory and should include gender analysis so as to ensure that resettlement risks, impacts and costs are understood and addressed in specific local contexts.

The issues highlighted by people in Mualadzi were known resettlement risks at the time the RAP was prepared. For almost half a century, issues such as food insecurity, lack of employment opportunities, loss of common resources and marginalisation have been highlighted as risks that emanate from displacement and resettlement from large-scale development projects. Certainly, every one of the eight resettlement risks outlined in Cernea's (1997) foundational resettlement framework, The Risks and Reconstruction Model for Resettling Displaced Populations, is a factor in the Mualadzi case.⁷³ However, not all of them are identified in the Benga mine RAP. From this perspective, the planning framework that was first established by Riversdale and inherited by Rio Tinto and then ICVL appears to be incomplete, if not fundamentally flawed. Some of the planning failures identified during the study are summarised below.

5.2.1 Risk analysis

Risk identification, prevention and mitigation for the Phase Two resettlement were not sufficiently thorough. The physical characteristics of the resettlement site, such as low rainfall and poor quality soil, were described in the original RAP. However, description of context provides only a partial basis for resettlement planning. This RAP contained minimal analysis of the challenges associated with community adaptation to vastly different circumstances. Primary risks such as marginalisation and social fragmentation at the household level, for example, were largely overlooked.

How and why the original RAP was approved by the government in its incomplete form are questions that sit beyond the scope of this study. The degree to which Rio Tinto or ICVL conducted their own due diligence on the Benga resettlement prior to acquisition is not known. Nor is the degree to which either company conducted their own risk assessment once they took responsibility for RAP implementation. What is clear is that no updates or a "corrective" RAP have ever been lodged with regulatory authorities. This is despite the less than optimal risk identification process in the original RAP and high profile public reports documenting emerging issues. There is no legal requirement in Mozambique for companies to formally update the RAP upon transfer of ownership.

5.2.2 Risk mitigation

Mitigation measures as outlined in the RAP were, for the most part, provisional. The government approved the original RAP on the basis of an intent to manage resettlement risks, rather than a clear set of commitments against which developers could be held to account. The starkest example of this relates to water. Mitigating the risks associated with moving people from a water abundant to a water scarce environment requires careful and detailed upfront planning to ensure that physical infrastructure is in place and transitional support is available prior to relocation taking place. Previous research highlighted that this was not in place when the Phase One relocation processes commenced.⁷⁴

⁷² Cernea, M. (1997) The Risks and Reconstruction Model for Resettling Displaced Populations. World Development. 25(10), p. 1,569-1,587.

⁷³ Cernea's eight impoverishment risks are landlessness, homelessness, joblessness, marginalisation, food insecurity, loss of access to common property and services, increased morbidity and mortality, and social disarticulation

⁷⁴ Ibid footnote 13.

Some of the issues that were present during the Phase One resettlement were not fully resolved when the Phase Two resettlement began. For instance, water amenities were not complete prior to relocation. Short-term water scarcity was ameliorated by trucking water into the community, which also proved unreliable. Rio Tinto rectified some of the water infrastructure issues with the construction of bores, standpipes and tanks, although ongoing maintenance, functionality of equipment and long-term water security remain uncertain.

Several of the livelihood restoration programs were based on a cooperative association model. However, the model may not have been appropriate to this community. Mitigating the risks of livelihood restoration programs failing requires careful planning, in consultation with the community, to ensure the approach is locally appropriate and that participants have the necessary skills to adapt to new approaches.

5.2.3 Food support and livelihood restoration

From the perspective of resettled people, food support and livelihood restoration has been deficient. The primary issue relates to food security. For most interviewees, transitional support through the provision of food assistance has ceased, even though hunger was an everyday challenge. The notion of discontinuing the distribution of food baskets to avoid “dependency” is at odds with the level of food insecurity reported by resettled families. Until livelihoods are restored, resettled families will require external support. Uncertainty, lack of control and limited resources are key drivers of dependency, not the provision of food and other essentials at a time of heightened need and vulnerability. In this case, Rio Tinto’s approach to dependency avoidance appears to have exacerbated, not relieved, impoverishment risk.

5.2.4 Participation and social inclusion

Other than a small group of leaders, interviewees said they have not been included in decisions about their resettlement. The decision to relocate to Mualadzi did not involve local people — this was an involuntary resettlement. There was some involvement of local leaders in early planning processes, but the majority of people interviewed indicated they did not have access to information to enable their participation. Most interviewees felt that since relocation, corporate efforts to engage them were dwindling, or had broken down. State and corporate actors were said to engage at their convenience and on issues that they can address, rather than engaging the priority concerns of the community: food security, water supply, access to jobs and transport. Reduced frequency and intensity of engagement comes at a time when resettlement impacts are being experienced more directly and many families are struggling to recover.

In terms of livelihood restoration, age, gender and economic status are factors influencing people’s participation. It was not apparent from either the RAP or the study’s findings whether and how vulnerability has been defined and assessed to ensure that the most vulnerable or at risk people are included and safeguarded. Nor was it apparent that a gender-based analysis of resettlement risks or impacts

had been undertaken. While there was acknowledgement by interviewees of some effort by Rio Tinto to engage women, the impact of this engagement does not appear to have enhanced women’s participation in the resettlement process.

5.2.5 Social monitoring

Human adaptation to new social and physical resettlement environments is a dynamic process. Primary resettlement risks are predictable, but people’s responses to those risks can change over time, and are less predictable than the primary impact. A comprehensive monitoring program is therefore essential for determining whether people are in “recovery mode” or a state of further impoverishment. Tracking whether change is occurring rapidly, cumulatively or gradually, and how and whether impacts are dispersed and affecting people differently, can only be determined through a comprehensive monitoring program that covers individuals, households, social groups and the broader community.

The monitoring program at Mualadzi appears to be incommensurate with the dynamic and serious nature of risks and impacts. Beyond household-level baseline indicators, neither Rio Tinto nor ICVL shared the details of the approach to “real time” tracking or presented a comprehensive monitoring framework that included indicators for resettlement “success” with the study team. It was also apparent that interviewees were not involved in a participatory monitoring program. The Provincial Resettlement Committee indicated that a formal program of monitoring was not in place.

5.2.6 Grievance handling

From the perspective of interviewees, grievance mechanisms are also lacking in terms of both procedure and outcomes. Without a functional resettlement-specific, project-level grievance mechanism, companies limited their capacity to identify and respond to issues of concern in the Mualadzi community. In fact, resettled people found themselves in a position where there was no one with authority and resources who was willing or able to help them resolve their concerns. Interview data suggests that grievance handling processes have been so ineffective, that some in the community are considering collective action to increase the likelihood that concerns would be heard by state and corporate actors. This raises a risk of conflict in the future.

5.3 Systemic issues

Besides the shortcomings of resettlement planning and implementation, several more systemic factors have served to exacerbate an already difficult situation in Mualadzi. Some of these factors are outlined below.

5.3.1 Land availability

The extent of coal mining concessions zoned across Tete province appears to have influenced the government's choice of Mualadzi as a resettlement location. Geologically, Mualadzi is not a prospective coal mining area, which limits the likelihood that the land would be of interest to another developer. However, Mualadzi does not offer favourable conditions agriculturally. Finding suitable land for rural resettlement that is not subject to mining concession has become a challenge across Tete province.

5.3.2 Regulation and government oversight

The regulatory framework for Mozambique's mining industry is not keeping pace with the rapid rate of industrial development in Tete. The Resettlement Decree No 31 of 2012, for example, came into effect too late for the Mualadzi resettlement. While the capacity for oversight of resettlement by the provincial and national government has been constrained by limited financial and human resources, it has also been tempered by the priority placed on mining as a pathway to economic growth. Balancing the rights of communities with the demands of national development is the governance challenge that is most apparent in the Mualadzi situation.

5.3.3 Transfer of corporate ownership

The transfer of ownership from Riversdale to Rio Tinto and then from Rio Tinto to ICVL has complicated the resettlement process and obscured the question of "corporate responsibility". Rio Tinto inherited a partially implemented and incomplete RAP that had become the focus of international NGO campaigns. Rio Tinto addressed some of the problems at Mualadzi, but external stakeholders cannot systematically track its performance due to a lack of transparency. In the process of Rio Tinto implementing the Phase Two resettlement, other problems emerged. Some of these issues were addressed before Rio Tinto sold to ICVL, whereas others remain outstanding.

From a legal perspective, it would appear that neither Riversdale nor Rio Tinto have any formal responsibility for resettlement in the future. Responsibility now rests with ICVL and the state. The degree to which Riversdale or Rio Tinto have any moral responsibility for supporting resettled people is, however, an issue for consideration. Whether or not ICVL would enable the involvement of previous owners, and the degree to which this would complicate legal responsibility, is beyond the scope of this study. Nonetheless, the question of who should be responsible for resettlement legacies in an industry where mergers, acquisitions and divestments are commonplace is one that warrants urgent attention.

5.3.4 Internal, voluntary regulation

Rio Tinto's internal due diligence processes did not appear to trigger an adequate response to resettlement challenges at Mualadzi. Despite having one of the most progressive

social policy frameworks in the global mining industry, Rio Tinto's internal accountability mechanisms seem to have faltered in the case of the Benga mine. Internal processes did not appear to trigger an appropriate allocation of expertise and resources to address resettlement risks. In the absence of effective state-based regulatory mechanisms, the mining industry is reliant on voluntary regulation to assure stakeholders that robust mechanisms are in place to avoid social and human rights risks and contribute to positive development outcomes for local communities. Whether internal assurance processes were inadequate or inadequately applied in this case warrants investigation and analysis.

Positioning resettlement as a "development opportunity" rather than an "impoverishment risk" in corporate policy frameworks may distract from issues of recovery and livelihood reconstruction. Framing resettlement as a development opportunity, without clearer acknowledgement of the serious and significant social and human rights risks involved, may well exacerbate those very risks that corporate policy frameworks seek to avoid. The likelihood of achieving "improvement" if risk mitigation and recovery are not the core focus is minimal. Corporate approaches to understanding "social risk", "dependency" and "livelihood reconstruction" in the Mualadzi situation raise serious questions about corporate capability to respond to the fundamental challenges of mining and resettlement.

5.4 Future considerations

This Oxfam-CSRSM study raises a range of important considerations for the future including the potential for localised conflict, ICVL's plans for expansion and the continued growth of extractive industries in Tete. The first issue relates to the potential for localised conflict. People at Mualadzi are living in close proximity to people at Cateme. Not only are people from Mualadzi learning that public protest can bring about change where other processes fail them, there are emerging tensions between the two communities over issues of transport. These issues need careful monitoring and may need strategic intervention before tensions escalate.

ICVL has announced plans for major expansion. This expansion will require further resettlement, including of urban communities. This will put more pressure on resettled and receiving communities, local civil society organisations and the state. It will also put greater pressure on ICVL to ensure that it does not exacerbate existing issues or re-generate the current set of problems, on a larger scale.

Finally, even in the face of a global downturn, the coal industry in Tete continues to expand, alongside other extractive industries such as oil and gas. Pressure on land availability will continue as more concessions are granted and mega industrial projects proceed. How and whether the government grants concessions and makes decisions about resettlement locations is vitally important for ensuring that national development imperatives do not come at the expense of the rights and interest of local people.

6 RECOMMENDATIONS

The following recommendations aim to improve resettlement outcomes for project-affected people at Mualadzi in both the immediate and longer term. They are aligned with the Listening Study objectives and informed by the desktop research, fieldwork data and supplementary interviews.

Recommendations are directed primarily towards ICVL, Rio Tinto and the Mozambican Government. They are designed to encourage greater dialogue between these parties and project-affected people. These recommendations are specific to the companies concerned but can, and should, be applied more generally to the extractives sector.

Recommendations are also provided for the home country governments where relevant mining companies are headquartered or listed. Home country governments are encouraged to actively monitor the offshore practices of companies when human rights are put at risk by involuntary resettlement.

Decades of research confirm that resettlement must be underpinned by processes of ongoing dialogue and participatory decision-making between all stakeholders. Participation requires that stakeholders have access to complete information in a timely manner and in a language and format that can be understood. This includes project-affected people and those who work directly with them.

Ensuring participation, access to information and social inclusion — including women, men, youth, elders, leaders and people with a disability — will help to:

- identify and mitigate the known risks of resettlement;
- better understand lesser known risks; and
- support the equitable distribution of benefits from the extractives sector.

Meaningful participation also requires respect for the views, opinions and livelihoods of project-affected people.

It is recommended that ICVL:

1. formally lodges an update of the Benga mine RAP and addresses the issues raised in this report;
2. publicly discloses the company's plans and associated budget for implementing the updated RAP;
3. ensures that the Mualadzi community has an opportunity to comment on the adequacy of plans (including those people who are most marginalised and vulnerable) to ensure that resettled families do not carry externalised and unaccounted costs;
4. works with the provincial and national governments to establish and support community-based livelihood restoration activities in Mualadzi, including sustainable income generation. Consideration must be given to income-generating strategies that are suitable for women and youth;
5. reinstates the food assistance program for resettled families in Mualadzi until crop yields are sufficient to address food security issues, and conducts studies to better understand the risk of creating dependency by continuing with food support;

6. repairs and maintains water pumps in Mualadzi and provides additional bore holes and hand pumps, in close proximity to agricultural fields;
7. improves access to the secondary school in Catame and Moatize by sealing the road between Mualadzi and Cateme, and providing additional transport;
8. recruits, trains and supports people from the Mualadzi community to work as drivers and maintains a reliable transport service between Mualadzi, Cateme and Moatize;
9. implements all commitments made by Rio Tinto, including the provision of building materials to construct household chicken coops, and supply of chicks;
10. works with the Mualadzi community to co-design and establish a project-level grievance mechanism that reflects the effectiveness criteria outlined in the UN Guiding Principles on Business and Human Rights;⁷⁵ and
11. publicly discloses plans for the proposed Zambezi mine extension project, including the EIA and RAP. These documents must be made available in a language and manner that can be understood by project-affected people.

⁷⁵ These criteria include legitimate, accessible, predictable, equitable, rights-compatible and transparent, based on a source of continuous learning, dialogue and engagement.

It is recommended that Rio Tinto:

- 12. publicly discloses the HRIA of the Benga mine and associated resettlement undertaken by the Danish Institute of Human Rights;
- 13. publicly discloses the resettlement monitoring framework and methods developed for the Benga mine, including indicators for determining resettlement success;
- 14. publicly discloses lessons learned from the social due diligence process carried out for the acquisition of the Benga mine;

- 15. amends company policy to require that HRIAs are undertaken prior to acquisition of assets, as part of the due diligence process, rather than post acquisition;
- 16. includes both direct and indirect adverse impacts of resettlement when seeking to identify, mitigate and prevent risks as part of due diligence processes; and
- 17. publicly discloses the company's approach to participatory resettlement planning in other global locations (including the identification of risks, impacts, costs, timeframes and approach to monitoring and evaluation).

It is recommended that the Provincial Government of Tete:

- 18. requires ICVL to update the Benga mine RAP and address the issues raised in this report. The updated RAP must include a monitoring and evaluation framework to better account for commitments made in the RAP;
- 19. regularly monitors the implementation of the RAP using independent expertise if required;
- 20. works with ICVL and the Mualadzi community to establish and support community-based livelihood restoration programs that focus on sustainable income-generating and livelihood restoration activities. Consideration must be given to income-generating strategies that are suitable for women and youth;
- 21. publicly discloses the long-term plans and timeframe to address water issues at Mualadzi;

- 22. allocates resources to ensure the health clinic at Mualadzi has additional medical staff and adequate medical supplies, and extends the clinic's opening hours;
- 23. works to ensure that issues associated with the establishment of the cemetery are resolved in a timely manner, in consultation with the whole of the Mualadzi community;
- 24. reviews the function, activities and resourcing needs of the Provincial Resettlement Committee, ensuring adequate resources are available for monitoring and oversight of RAP implementation;
- 25. reviews the membership of the Provincial Resettlement Committee to include at least two members (female and male) from each resettled community in Tete; and
- 26. uses the lessons from this case to review other current and planned resettlements in Tete.

It is recommended that the National Government of Mozambique:

- 27. strengthens the legal frameworks consistent with the resolution of the African Commission on Human and Peoples' Rights to "ensure participation, including the free, prior and informed consent of communities in decision-making on natural resource governance";⁷⁶
- 28. augments principles outlined in Article 4 of the Resettlement Decree to include suitable land use allocation, access to water, access to essential services, distance to markets, alternative economic opportunities, access to sites of spiritual and cultural importance, and impact on societal and family norms in order to protect economic, social and cultural rights of project-affected people;

- 29. ensures that guidance and criteria for resettlement compensation reflect land tenure rights, household investment in agriculture and associated infrastructure, and loss of access to economic opportunities, including those losses faced by women and youth;
- 30. requires all oil, gas and mining companies operating in Mozambique to disclose RAPs and to formally update these documents on transfer of ownership;

⁷⁶ Available at: <http://www.achpr.org/sessions/51st/resolutions/224/>.

31. requires all companies seeking approval for oil, gas and mining projects to make public social and environmental impact assessments, including HRIAs, and associated risk and impact mitigation plans, prior to licences being granted;

32. requires all companies seeking approval for oil, gas and mining projects to ensure that essential resettlement infrastructure (including housing, water, roads, transport, schools and medical facilities) is established prior to physical relocation;

33. undertakes an audit of land availability and suitability for resettlement prior to issuing licences and approvals to proceed are granted to companies;

34. supports civil society to assist communities to have access to, and understand, project information including details about project owners and developers, operators, subcontractors and relevant financial institutions;

35. publicly discloses oil, gas and mining contracts, including project footprint and plans for resettlement; timeframes for operation and production; commodity profile and value; capital expenditure; ownership and equity arrangements; royalties and tax incentives; and other relevant agreements;

36. seeks donor support to develop a framework to monitor and evaluate the cumulative economic, environmental, social and human rights impacts of oil, gas, mining and related infrastructure investments in Mozambique that includes the participation of project-affected people; and

37. develops a National Action Plan to implement the United Nations Guiding Principles on Business and Human Rights with specific reference to identifying, mitigating and preventing the potential human rights impacts of resettlement.

It is recommended that the home country Governments of Australia, the United Kingdom, the United States of America and India:

38. develop a National Action Plan to implement the United Nations Guiding Principles on Business and Human Rights (Australia, US and India) with reference to mitigating and preventing the potential human rights impacts of resettlement in both home and host country (UK to amend);⁷⁷ and

39. require all oil, gas and mining companies headquartered in, listed in or operating in or from the relevant country to disclose (i) detailed plans for any development-induced resettlement, (ii) due diligence undertaken to identify, mitigate, prevent and remedy potential human rights impacts of resettlement, and (iii) monitoring and evaluation frameworks to measure success or take corrective action.

For relevant international organisations, it is recommended that:

40. the IFC and other IFIs develop sector-specific resettlement guidance for the oil, gas and mining industries to ensure greater applicability to the industry; and

41. the International Council on Mining and Metals (ICMM), as the lead global industry organisation, initiates a review of resettlement practice with the aim of defining clear standards and commitments for its member companies. This could take the form of a binding Position Statement, similar to that recently adopted in relation to Indigenous Peoples and Mining.

⁷⁷ The United Kingdom has a Business and Human Rights Action Plan. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/236901/BHR_Action_Plan_-_final_online_version_1_.pdf

7 ABOUT THE STUDY TEAM

Oxfam:

Oxfam is an independent, non-government aid and development agency. The Oxfam Confederation is comprised of 18 affiliates. It works together to achieve our goal of a just world without poverty, where people influence decisions that affect their lives, enjoy their rights, and assume their responsibilities — a world in which everyone is valued, and everyone is treated equally. Working locally with people, communities and program partners in more than 90 countries, along with corporations, governments and institutions, it helps to create lasting solutions to the injustice of poverty.

Oxfam has been active in Mozambique since 1978. Its work has evolved from direct humanitarian aid during the war in the 1980s, to promoting sustainable development and supporting civil society organisations. In Mozambique, Oxfam

has a vision where poor and socially excluded men and women are empowered, with the support of a stronger civil society that pursues social change, so that they escape poverty, are more resilient to disasters, have their basic human rights respected and gain access to services that allow them to lead a decent life.

Oxfam has more than 15 years of experience working in the extractives sector and is regarded as one of the leading international non-government organisations with extractives expertise. Oxfam has established a program focusing on the extractive industries in Mozambique. The Mozambique extractives program complements a long-standing livelihoods program and will be scaled up in response to significant oil, gas and mining projects in Cabo Delgado province.

Partners:

União Provincial de Camponeses de Tete (UPCT):

Tete Provincial Farmers Union (UPCT) was formed in 2003 and is an autonomous organisation affiliated with the Mozambique National Farmers Union (UNAC). As at 2015, UPCT represented 522 farmer associations in 14 of the 15 districts in Tete province, and an additional eight district unions had been established (Cidade de Tete, Changara, Mutarara, Cahora Bassa, Macanga, Moatize, Maravia and Tsangano,). The union has 13,184 individual members, 6,366 women and 6,818 men.

UPCT aims to be “a strong peasant farmers’ movement, where men and women are actively involved in the struggle for a just, prosperous and inclusive society, and to contribute towards the reduction of poverty and food insecurity among rural communities”.

UPCT’s strategic objectives are to:

- secure members’ land rights, facilitating acquisition of land titles and defending members’ interests in land and natural resources conflicts;
- contribute towards increased productivity and competitiveness of peasant farmers in agriculture and livestock raising;

- strengthen the commercialisation of members’ products in local and provincial markets;
- build a stronger movement at grassroots level while increasing members’ financial contributions to UPTC and other unions; and
- improve service delivery to its members and strengthen its institutional capacity.

UPCT provides training in agro-ecological techniques and agribusiness, including market and commodity information, as well as advice and support on land rights and resettlement to rural families affected by coal mining activities. The provincial union also engages with government authorities, mining companies and civil society organisations.

The union is actively seeking to strengthen gender equality in its work and currently employs 16 staff, 13 men and 3 women. UPCT has received financial support from Norwegian Peoples Aid, WeEffect (Swedish Cooperatives Centre), CAFOD and Corredor da Beira.

Associação para Apoio e Assistência Jurídica às Comunidades (AAAJC):

The Association for Community Legal Assistance and Support is a civil society organisation based in Tete province in Mozambique. It was created in 2008 with support from the Ministry of Justice Judicial and Legal Training Centre (Centro de formação jurídica e judiciária — CFJJ) and registered in 2010 to provide legal assistance to communities on land and natural resources rights.

AAAJC aims to assist communities understand their rights and secure inclusive development, land rights and sustainable use of natural resources.

AAAJC seeks to:

- promote socio-economic development of local communities;
- assist in land tenure, and capacity building and registration of community organisations;
- promote partnerships between investors and communities;
- help defend the interests of communities through engagement with government authorities, companies, and international and national networks;
- provide legal assistance to communities and citizens;
- produce and disseminate knowledge about natural resources and development;

- research and monitor extractive industry activities and impact on communities; and
- monitor natural resources policy development and stimulate public debate on these issues.

In recent years, AAAJC has supported communities affected by the mining activities of Vale, ICVL, Rio Tinto and Jindal in Tete province. The association is also working with communities who may be impacted by new investment projects, such as the Macuse corridor railways (Moatize-Macuse-Zambezia province) and the Nacala Corredor (Moatize-Malawi-Nacala-Nampula province).

AAACJ is involved in initiatives such as the Extractives Industry Transparency Initiative in Mozambique, Mozambican Rural Observatory, Mozambican Civil Society Platform on Natural Resources and Extractive Industry, Publish What you Pay, and the International Articulation of Those Affected by Vale.

AAACJ has 18 staff and a network 360 volunteer members in Tete province. AAACJ has received financial support from WeEffect (Swedish Cooperative Centre), Africa Contact (Denmark), Norwegian Peoples Aid, WWF, Canada Humanitarian Fund and IBIS.

Centre for Social Responsibility in Mining (CSRSM):

CSRSM is a leading research centre committed to improving the social performance of the resources industry globally.

It is part of the Sustainable Minerals Institute (SMI) at The University of Queensland, one of Australia's premier universities. SMI has a long track record of working to understand and apply the principles of sustainable development within the global resources industry.

CSRSM focuses on the social, economic and political challenges that occur when change is brought about by resource extraction and development. Since 2001, the Centre has worked with companies, communities and governments in mining regions all over the world to improve social performance and deliver better outcomes for companies and communities.



THE UNIVERSITY
OF QUEENSLAND
AUSTRALIA

SMI CSR
Centre for Social
Responsibility in Mining



OXFAM